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School Jurisdictions Audited Financial Statements For the Year Ended August 31, 2003

Section 2

FFCA Charter School Society
to Moberly Hall School Society

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School Jurisdictions
Audited Financial Statements

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School Jurisdiction Code: 9

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The FFCA Charter School Society
Name of School Jurisdiction

311, 5940 Macleod Trail SW Calgary, Alberta T2H 2G4
Mailing Address

(P) 403-520-3206 (F) 403-520-3209
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The FFCA Charter School Society (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Rob Jack — "Original Signed By"
Name — Signature

SUPERINTENDENT

Mr. Jay Pritchard — "Original Signed By"
Name — Signature

SECRETARY TREASURER OR TREASURER

Ms. Reta Morgan — "Original Signed By"
Name — Signature

6-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 9

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BDO

BDO Dunwoody LLP
Chartered Accountants
and Consultants

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Auditors' Report

To the Board of Directors
The FFCA Charter School Society

We have audited the statement of financial position of The FFCA Charter School Society as at August 31, 2003 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP

Chartered Accountants

Calgary, Alberta
October 15, 2003

School Jurisdiction Code: 9

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,130,725	$151,141
Accounts receivable (net after allowances)		$211,165	$672,218
Prepaid expenses		$221,078	$210,436
Other current assets		$0	$0
Total current assets		$1,562,969	$1,033,795
School generated assets		$17,784	$10,063
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$48,876		
Less: accumulated amortization	($35,276)	$13,600	$22,989
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$13,600	$22,989
TOTAL ASSETS		$1,594,353	$1,066,847
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$432,205	$63,121
Deferred revenue		$407,129	$423,452
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$839,334	$486,573
School generated liabilities		$17,784	$10,063
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$17,784	$10,063
TOTAL LIABILITIES		$857,118	$496,636
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$723,635	$547,222
Accumulated Operating Surplus (Deficit)		$723,635	$547,222
Investment in capital assets		$13,600	$22,989
Capital Reserves		$0	$0
Total Capital Funds		$13,600	$22,989
Total net assets		$737,235	$570,211
TOTAL LIABILITIES AND NET ASSETS		$1,594,353	$1,066,847

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 9

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$6,915,272	$7,251,232	$4,198,216
Alberta Infrastructure	$2,248,385	$1,665,554	$782,716
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$0	$0	$2,641
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$168,210	$129,050	$57,215
Transportation fees	$282,911	$364,100	$211,386
Other sales and services	$9,633	$0	$52,515
Investment income	$8,014	$5,000	$8,410
Gifts and donations	$12,998	$0	$6,253
Rentals of facilities	$0	$0	$0
Net school generated funds	$56,595	$0	$54,374
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$9,702,018	$9,414,936	$5,373,726
EXPENSES			
Certificated salaries	$4,007,571	$3,980,282	$2,577,039
Certificated benefits	$412,681	$418,389	$305,022
Uncertificated salaries and wages	$655,415	$485,450	$290,073
Uncertificated benefits	$80,140	$61,902	$36,388
Services, contracts and supplies	$4,313,203	$4,468,913	$2,092,416
Net school generated funds	$56,595	$0	$54,374
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$9,389	$0	$7,956
Total Amortization of capital assets	$9,389	$0	$7,956
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$9,534,994	$9,414,936	$5,363,268
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$167,024	$0	$10,458
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$167,024	$0	$10,458

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 9

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$167,024	$10,458
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$9,389	$7,956
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$461,053	($270,420)
Prepaids and other current assets	($10,642)	($107,359)
Payables and accrued liabilities	$369,084	($223,320)
Deferred revenue	($16,323)	$265,241
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$979,584	($317,444)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	($17,000)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	$0	($17,000)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	($1,871)
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	($1,871)
Net sources (uses) of cash equivalents* during year	$979,584	($336,315)
Cash Equivalents at the beginning of the year	$151,141	$487,456
Cash Equivalents at the end of the year	$1,130,725	$151,141

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 9

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$570,211	$22,989	$487,529	$59,693	$0	$0	$0	$0	$0	$0	$0	$59,693	$0	$0	$0
Prior period adjustments (describe)															
Board Motion to restrict funds into Block	$0	$0	($487,529)	$487,529	$153,594	$0	$232,846	$0	$0	$101,089	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$570,211	$22,989	$0	$547,222	$153,594	$0	$232,846	$0	$0	$101,089	$0	$59,693	$0	$0	$0
Surplus(def) of revenue over expenses	$167,024		$167,024												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($9,389)	$9,389												
Amortization of capital allocations		$0	$0												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($236,106)	$236,106	$62,932		$136,849			$36,325				$0	
Net transfers from operating reserves			$59,693	($59,693)	$0		$0			$0		($59,693)		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$737,235	$13,600	$0	$723,635	$216,526	$0	$369,695	$0	$0	$137,414	$0	$0	$0	$0	$0

School Jurisdiction Code: 9

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$0
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2003		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and Purpose of the Society

The Society delivers educational programs, operating as the Foundations For The Future Charter Academy under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 2002. The Society was incorporated on March 21, 1996 under the Societies Act of Alberta. Through a charter established with the Minister of Learning the Society operates a charter school from four locations. The schools provide education from Early Childhood Services to Grade 10. The Charter is up for renewal on August 31, 2007.

The Society receives block allocation for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

The Society is incorporated under the Societies Act of Alberta as a not-for-profit organization and is a registered charity, and as such is exempt from income taxes.

2. Significant Accounting Policies

The financial statements of the Society have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

(b) Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is recorded on a straight-line basis at 20% per annum over the assets estimated useful lives, commencing the fiscal year following the year of acquisition.

2. Significant Accounting Policies - (Continued)

(c) School Generated Funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school authority because the accountability and control/ownership of these funds rests with school authority officials or their appointee. Revenue from school-generated funds is recognized as the related expenses are incurred.

(d) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Foundations for the Future Charter Academy does not make pension contributions for certificated staff.

(f) Contributed Materials and Services

Contributed materials and services which are used in the normal course of the society's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Volunteers assist the school in carrying out certain activities. Because of the difficulty of determining their fair market value and of the fact that such assistance is generally not otherwise purchased, contributed services of this nature are not recognized in the financial statements.

(g) Financial Instruments

The Society's financial instruments consist of various assets and liabilities. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted. The Society has invested surplus funds in accordance with section 60 of the School Act and Section 5 of the Trustees Act.

3. Capital Assets

	2003		2002	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
School equipment	$ 31,875	$ 31,875	$ 31,875	$ 25,886
Computer software	17,000	3,400	17,000	-
	$ 48,875	$ 35,275	$ 48,875	$ 25,886
Cost less accumulated amortization	$ 13,600		$ 22,989	

The capital assets were amortized by $9,389 during the year.

4. Deferred Revenue

	2003	2002
Province of Alberta		
Alberta Learning funding	$ 32,730	$ 44,306
Alberta Infrastructure funding	61,300	165,126
	94,030	209,432
Donations	-	4,085
Parent fees received in advance	313,099	209,935
	$ 407,129	$ 423,452

5. Commitment

The Society leases five locations, four of these are for campuses and one is for it's head office. One campus is leased from the Calgary Catholic School Board, and this lease expires June 30, 2004. The other three campuses are leased from the Calgary Board of Education and these leases expire August 31, 2007. The Society's head office location is leased until August 31, 2007. The Society's minimum annual lease payments for the next four years are as follows:

2004	$ 1,224,268
2005	1,067,220
2006	1,067,220
2007	1,067,220

6. Economic Dependence on Related Third Party

The Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

7. Comparative Amounts

Certain comparative figures for 2002 have been reclassified to conform with current presentation.

8. Budget Amounts

The 2003 Budget for the Society was approved by the Board and has been reported in the financial statements for information purposes only. These budget amounts have not been audited.

9. Transportation

	Actual	Budget (unaudited)
Revenue		
Province of Alberta	$ 393,906	$ 438,720
Transportation Fees	282,912	364,104
	676,818	802,824
Expenses	(752,169)	(802,824)
Excess (deficiency) of revenue over expenses	$ (75,351)	$ -

SCHEDULE A to the AFS

School Jurisdiction Code: 9

ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$5,849,849	$412,777	$5,437,072						
(2) Support block	$812,372				$393,906			$418,466	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$91,051	$0	$91,051						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$162,000	$37,860	$124,140					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$6,915,272	$450,637	$5,652,263	$0	$393,906			$418,466	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$1,985,181			$1,985,181					
(14) Operations & Maintenance support (One-Time)	$283,204			$283,204					
(15) **Total Alberta Infrastructure Revenue**	$2,248,385	$0	$0	$2,248,385					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$168,210	$0	$168,210						
(23) **Transportation fees**	$282,911				$282,911				
(24) **Other sales and services**	$9,633	$0	$9,633	$0	$0			$0	$0
(25) **Investment income**	$8,014	$0	$8,014	$0	$0			$0	$0
(26) **Gifts and donations**	$12,998	$0	$12,998	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$56,595		$56,595					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$9,702,018	$450,637	$5,907,713	$2,248,385	$676,817			$418,466	$0
EXPENSES									
(32) **Certificated salaries**	$4,007,571	$249,967	$3,657,972				$99,632	$99,632	$0
(33) **Certificated benefits**	$412,681	$25,770	$381,982				$4,929	$4,929	$0
(34) **Uncertificated salaries and wages**	$655,415	$0	$459,889	$0	$0	$0	$195,526	$195,526	$0
(35) **Uncertificated benefits**	$80,140	$0	$61,968	$0	$0	$0	$18,172	$18,172	$0
(36) **SUB - TOTAL**	$5,155,807	$275,737	$4,561,811	$0	$0	$0	$318,259	$318,259	$0
(37) **Services, contracts & supplies**	$4,313,203	$109,236	$1,189,701	$2,111,535	$752,169	$56,138	$94,422	$150,561	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$56,595		$56,595						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$9,389	$0	$9,389	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$9,389	$0	$9,389	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$9,534,994	$384,973	$5,817,496	$2,111,535	$752,169	$56,138	$412,681	$468,820	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$167,024	$65,664	$90,217	$136,850	($75,352)			($50,354)	$0
Applicable student numbers/FTE equivalent	1,267.0	226	1,154.0	1,267.0	911			1,267.0	
AVERAGE PROGRAM COSTS per student	$7,526	$1,703	$5,041	$1,667	$826			$370	

School Jurisdiction Code: ____________9

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$2,958,639	$599,569	$82,853	$0	$0	$16,911	$0	$3,657,972
Certificated benefits	$316,328	$62,007	$3,647	$0	$0	$0	$0	$381,982
Uncertificated salaries and wages	$145,003	$311,060	$3,827	$0	$0	$0	$0	$459,889
Uncertificated benefits	$16,024	$45,308	$636	$0	$0	$0	$0	$61,968
SUB - TOTAL REMUNERATION	$3,435,993	$1,017,944	$90,963	$0	$0	$16,911	$0	$4,561,811
Services, contracts & supplies	$711,996	$289,154	$114,412	$0	$0	$74,139	$0	$1,189,701
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$56,595							$56,595
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$5,889	$3,500	$0					$9,389
Total Amortization	$5,889	$3,500	$0					$9,389
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$4,210,473	$1,310,598	$205,375	$0	$0	$91,050	$0	$5,817,496
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$5,052,920	$208,026	$87,240	$0	$5,348,186	$3,454,490	$1,893,697
School Admin & Instruction Support Expenses						$1,310,598	($1,310,598)
System Instruction Support Expenses						$205,375	($205,375)
Total Basic Instruction	$5,052,920	$208,026	$87,240	$0	$5,348,186	$4,970,462	$377,724
Sub-Programs & Initiatives							
Severely Disabled	$0		$0		$0	$0	$0
English as a Second Language	$0				$0	$0	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$209,924				$209,924		$209,924
Teacher Assistants Program	$39,709				$39,709	$47,656	($7,947)
Early Literacy Initiative (K-2)	$85,026				$85,026	$85,026	$0
Learning Resources Credit & Resources for the Classroom	$0	$7,165	$168,210		$175,375	$626,910	($451,535)
Technology Integration	$49,493		$0		$49,493	$87,442	($37,949)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$384,152		$168,210		$559,527	$847,034	($287,507)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$5,437,072	$215,191	$255,450	$0	$5,907,713	$5,817,496	$90,217

School Jurisdiction Code: 9

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$412,777	$5,437,072		$393,906	$418,466	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$5,849,849* = *$116,997* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 9

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$5,800,356
Support Block - Transportation	$393,906
SUBTOTAL	$6,194,262

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,965,181
Teacher Salary Enhancement	$162,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$9,633
Interest on investments	$8,014
Rentals of facilities	$0
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$79,978
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$8,419,068**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$505,144

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	50,000	$505,144
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$505,144**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$468,820
PLUS: transfers to Restricted - Operating (Board/System Administration)	$36,325
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$505,145
Maximum Expense Limit for Board & System Administration (Step 3)	$505,144
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$1

School Jurisdiction Code: 9

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$10,063
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$79,978	
Less: SGF - related cost recoveries (Note 3)	$15,662	
- capitalized at the District level (Note 4)	$0	
Net Total	$64,316	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$64,316
Net SGF Available for discretionary spending		$74,379
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$56,595
Unexpended SGF - Closing Balance August 31, 2003		$17,784

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 9

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$149,262	$1,403,928	$0	$0	$0	$1,553,190		$1,553,190
Supplies	$13,864	$322,533	$0	$0	$0	$336,397		$336,397
Electricity			$111,426			$111,426		$111,426
Natural Gas/Heating Fuel			$101,345			$101,345		$101,345
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$9,178	$9,178		$9,178
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$163,125	$1,726,461	$212,771	$0	$9,178	$2,111,535	$0	$2,111,535
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 9

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Rob Jack	1.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Mr. Dave Buller	1.0	$0	$0	$0	$0	$0	$0	$360
Name	Mr. Dan Leavson	1.0	$0	$0	$0	$0	$0	$0	$1,030
Name	Ms. Nashein Mitha	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Mr. Kelly Swerid	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Ms. Peggy Anderson	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Mr. Chris Best	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Ms. Janet Grimes	1.0	$0	$0	$0	$0	$0	$0	$0
Name	Ms. Carol Webb	1.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$1,390*
Superintendent	Gerry Wilson	0.4	$74,709	$3,879	$0	$0	$0	$78,588	$1,855
Superintendent	Jay Pritchard	0.3	$24,923	$1,050	$0	$0	$0	$25,973	$2,550
Secretary/Treasurer	Ursula Mergny	0.5	$56,575	$0	$0	$0	$0	$56,575	$46
Secretary/Treasurer	Reta Morgan	0.2	$18,750	$2,350	$0	$0	$0	$21,100	$718
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		77.8	$3,907,940	$407,751	$0	$0	$0	$4,315,691	
Uncertificated Salaries & Wages		19.3	$580,089	$77,790	$0	$0	$0	$657,879	
TOTALS			**$4,662,986**	**$492,820**	**$0**	**$0**	**$0**	**$5,155,806**	

Note: Please refer to completion information on page 15.

Superintendent: G. Wilson was the half-time Superintendent from September 1, 2002 to May 31, 2003, Jay Pritchard became the Superintendent on June 1, 2003 in a full time position.

School Jurisdiction Code: 9

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1180

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

FOOTHILLS SCHOOL DIVISION #38
Name of School Jurisdiction

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SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules FOOTHILLS SCHOOL DIVISION #38
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

J. Muelaner	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

J.P. McLellan	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

A.F. Chipman	"Original Signed By"
Name	**Signature**

19-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1180

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AUDITORS' REPORT

To: The Board of Trustees of
Foothills School Division No. 38

We have audited the statement of financial position of Foothills School Division No. 38 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Catalyst LLP

CHARTERED ACCOUNTANTS

HIGH RIVER, ALBERTA
NOVEMBER 7, 2003

---

* Catalyst Chartered Accountants operates as a limited liability partnership

School Jurisdiction Code: 1180

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$7,735,102	$11,903,158
Accounts receivable (net after allowances)		$2,183,849	$962,631
Prepaid expenses		$239,596	$444,361
Other current assets		$0	$762,351
Total current assets		$10,158,547	$14,072,501
School generated assets		$980,325	$1,005,259
Trust assets		$294,832	$299,873
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,638,032	$1,638,032
Buildings	$82,258,350		
Less: accumulated amortization	($35,760,044)	$46,498,306	$45,056,804
Equipment	$6,408,333		
Less: accumulated amortization	($3,892,704)	$2,515,629	$2,712,749
Vehicles	$7,128,407		
Less: accumulated amortization	($4,112,090)	$3,016,317	$2,998,183
Total capital assets		$53,668,284	$52,405,768
TOTAL ASSETS		$65,101,988	$67,783,401
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,891,637	$2,579,295
Deferred revenue		$412,778	$1,275,904
Deferred capital allocations		$7,238,900	$9,882,492
Current portion of all long term debt		$1,671,435	$1,915,079
Total current liabilities		$11,214,750	$15,652,770
School generated liabilities		$980,325	$1,005,259
Trust liabilities		$294,832	$299,873
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,504,036	$9,064,137
	Less: Current portion of supported debt	($1,370,748)	($1,560,602)
Unsupported:	Debentures and Capital Loans	$381,500	$477,500
	Capital Leases	$892,020	$1,035,281
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($300,687)	($354,477)
Unamortized capital allocations		$36,371,876	$33,141,722
Total long term liabilities		$44,753,154	$43,108,693
TOTAL LIABILITIES		$55,967,904	$58,761,463
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$269,713	$184,669
Accumulated Operating Surplus (Deficit)		$269,713	$184,669
Investment in capital assets		$8,531,906	$8,687,749
Capital Reserves		$332,465	$149,520
Total Capital Funds		$8,864,371	$8,837,269
Total net assets		$9,134,084	$9,021,938
TOTAL LIABILITIES AND NET ASSETS		$65,101,988	$67,783,401

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1180

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$40,205,079	$38,631,800	$39,630,060
Alberta Infrastructure	$4,923,129	$4,544,000	$2,417,982
Alberta Finance	$936,390	$968,500	$1,109,477
Other Government of Alberta	$151,476	$191,600	$161,218
Federal Government and/or First Nations	$184,470	$167,800	$164,545
Other Alberta school authorities	$0	$0	$39,900
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$48,000	$71,100	$84,412
Instruction resource fees	$581,156	$477,300	$408,890
Transportation fees	$12,990	$50,000	$8,455
Other sales and services	$267,272	$187,100	$420,053
Investment income	$85,324	$70,000	$109,836
Gifts and donations	$0	$0	$0
Rentals of facilities	$42,947	$10,000	$40,638
Net school generated funds	$550,721	$300,000	$584,780
Gains on disposal of capital assets	$17,167	$0	$9,600
Amortization of capital allocations	$1,982,939	$1,958,000	$1,895,571
Total Revenues	$49,989,060	$47,627,200	$47,085,417
EXPENSES			
Certificated salaries	$24,415,225	$24,311,000	$22,711,695
Certificated benefits	$2,651,704	$2,990,000	$2,489,808
Uncertificated salaries and wages	$7,398,499	$6,802,000	$6,827,163
Uncertificated benefits	$1,872,486	$1,455,000	$1,666,404
Services, contracts and supplies	$8,450,688	$7,165,800	$8,024,175
Net school generated funds	$550,721	$300,000	$584,780
Capital and debt services			
Amortization of capital assets			
Supported	$1,961,465	$1,958,000	$1,883,008
Unsupported	$1,574,028	$1,557,100	$1,565,148
Total Amortization of capital assets	$3,535,493	$3,515,100	$3,448,156
Interest on capital debt			
Supported	$936,390	$968,500	$1,109,477
Unsupported	$59,685	$69,800	$105,382
Total Interest on capital debt	$996,075	$1,038,300	$1,214,859
Other interest charges	$6,023	$50,000	$1,752
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$49,876,914	$47,627,200	$46,968,792
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$112,146	$0	$116,625
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$67,943
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$112,146	$0	$184,568

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1180

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$112,146	$184,568
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,982,939)	($1,895,571)
Total amortization expense	$3,535,493	$3,448,156
Gains on disposal of capital assets	($17,167)	($9,600)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,221,218)	($384,856)
Prepaids and other current assets	$967,116	($26,625)
Payables and accrued liabilities	($687,658)	$551,699
Deferred revenue	($863,126)	$331,170
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	($157,353)	$2,198,941
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($5,649)
Buildings	($3,652,491)	($2,216,047)
Equipment	($595,999)	($787,432)
Vehicles	($561,969)	($533,012)
Net proceeds from disposal of capital assets	$29,617	$9,600
Other (describe)	$0	$5,649
Total sources (uses) of cash from investing activities	($4,780,842)	($3,526,891)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,008,899	$8,638,767
Issue of long term debt	$123,248	$0
Repayment of long term debt	($1,922,610)	($1,889,648)
Add back: supported portion	$1,560,602	$1,761,357
Other (describe)		$0
Total sources (uses) from Financing activities	$770,139	$8,510,476
Net sources (uses) of cash equivalents* during year	($4,168,056)	$7,182,526
Cash Equivalents at the beginning of the year	$11,903,158	$4,720,632
Cash Equivalents at the end of the year	$7,735,102	$11,903,158

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1160

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,021,938	$8,687,749	$0	$334,189	$20,687	$64,269	$0	$0	$35,251	$100,000	$0	$63,982	$50,000	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,021,938	$8,687,749	$0	$334,189	$20,687	$64,269	$0	$0	$35,251	$100,000	$0	$63,982	$50,000	$0	$0
Surplus(def) of revenue over expenses	$112,146		$112,146												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,034,721	($1,034,721)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($3,535,493)	$3,535,493												
Amortization of capital allocations		$1,982,939	($1,982,939)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$361,990	($361,990)												
Net transfers to operating reserves			($225,261)	$225,261	$225,261		$0			$0		$0		$0	
Net transfers from operating reserves			$140,217	($140,217)	$0		$0			($99,978)		($40,239)		$0	
Net transfers to capital reserves			($182,945)	$182,945		$41,267			$59,070		$60,972		$21,636		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$9,134,084	$8,531,906	$0	$602,178	$245,948	$105,536	$0	$0	$94,321	$22	$60,972	$23,743	$71,636	$0	$0

School Jurisdiction Code: 1180

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$9,882,492	$33,141,722
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$9,882,492	$33,141,722
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$686,423	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$75,755	
Other capital grants and donations		$246,721	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,560,602
Expended capital allocations - current year		($3,652,491)	$3,652,491
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,982,939
Balance at August 31, 2003		$7,238,900	$36,371,876

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

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1. Authority and purpose

Foothills School Division No. 38 delivers education programs under the authority of the School Act, Chapter S-3, Revised Statutes of Alberta, 2000.

The division receives funding for instruction and support under Regulation 72/95 of the School Act. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. Significant accounting policies

The school division follows accounting policies generally accepted for Alberta School jurisdictions, which include the following:

(a) Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the related notes. Actual results could differ from those estimates.

(b) Revenue recognition

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Funding from the provincial government and other agencies that are externally restricted for purchases of capital assets are recorded as deferred capital allocations until spent. Interest earned on these deferred capital allocations is recorded as deferred capital allocations until also spent on capital projects. Once spent, they are transferred to unamortized capital allocations, and are amortized on the same basis as the capital assets to which the funding relates.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Unrestricted contributions are recognized as revenue when received and receivable.

(c) Temporary investments

Temporary investments are recorded at the lower of cost and net realizable value.

(d) Prepaid expenses

Supplies purchased for courses and programs conducted in a future period are recorded as prepaid expenses.

(e) Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line basis, commencing in the year following addition up to and including the year of disposal. Only assets with a value greater than $5,000 are capitalized and amortized. The annual amortization rates are as follows:

Buildings	3-6 %
Equipment	20 %
Vehicles	10-20 %

(f) Financial instruments

The school division's financial instruments consist of cash, bankers' acceptances, money market mutual funds, accounts receivable, accounts payable and accrued liabilities, capital lease obligation and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

(g) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.). Funds generated from school based activities are recorded as follows:

Unexpended school generated funds are recorded as an asset and liability of the school division as the use of these funds is subject to restrictions imposed by the individual fund raising groups.

Costs of generating school funds include direct expenses incurred in generating these funds. Amounts expended on school activities, supplies, other instructional expenses or capital items are reported as application of school generated funds for the year.

(h) **Pensions**

Pension costs included in salaries and benefits comprise the cost of employer contributions for current service of employees during the year.

The school division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $294,440 (2002 - $252,392) and is included in salaries, wages and benefits.

The current service and past service costs of the Alberta Teachers' Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the school division does not make pension contributions for certificated staff.

(i) **Net assets**

Operating and capital restricted funds represent allocations for future operating expenses and capital purchases.

The excess of amortization of capital assets over amortized capital allocations is recorded as a reduction in investment in capital assets.

Unsupported capital debt repayments are recorded as a transfer from unrestricted funds to investment in capital assets. Unsupported capital lease payments are recorded as a transfer from restricted funds to investment in capital assets.

(j) **Contributed services**

Volunteers assist schools operated by the division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(k) **Cash and temporary investments**

Cash and temporary investments consist of cash on hand and balances with banks, money market funds and bankers acceptances maturing within three months of year-end.

3. Restricted cash

Cash and temporary investments in the amount of $7,238,900 (2002 - $9,882,492) is restricted for use in capital construction projects only (Note 9).

---

4. Deferred revenue

	2003	2002
BQRP (Building Quality Restoration Program) funding	$ 250,411	$ 657,209
AISI (Alberta Initiative for School Improvement) funding	75,251	174,429
Other	22,442	139,300
Block Mod (Building Modernization) funding	637	163,442
One-Time funding	64,037	141,524
	$ 412,778	$ 1,275,904

During 2003, the school division received $342,904 as one-time funding for infrastructure operations and maintenance. At August 31, 2003, $64,037 of this amount had not been expended.

5. Obligations under capital lease

Under terms of various equipment leases expiring between September 2003 and June, 2010, the school division is committed to minimum annual lease payments, including interest at annual rates from 2.0% to 6.9% as follows:

2004	$ 260,876
2005	264,652
2006	236,530
2007	136,030
2008 and subsequent	56,502
Total minimum lease payments	954,590
Less amount representing interest	62,570
Principal portion of lease obligation	892,020
Less current portion	205,187
	$ 686,833

6. Long-term debt

	2003	2002
Debentures issued to Alberta Capital Finance Authority, repayable in annual instalments totalling $2,272,822 including interest at rates that vary from 6.5% to 12% per annum. A portion of these debentures will be repaid by the provincial government.	$ 7,885,536	$ 9,541,637
Less current portion	1,466,248	1,656,102
Due beyond one year	$ 6,419,288	$ 7,885,535

The portion due within the next fiscal year includes $1,370,748, which will be paid by the provincial government.

Principal repayments of long-term debt required in the next five fiscal years are as follows:

2004	$ 1,466,248
2005	1,183,789
2006	967,088
2007	967,088
2008	810,588

7. Budget amounts

The budget was prepared by School Division management with Board of Trustees approval given on September 4, 2002. It is presented for information purposes only and has not been audited.

8. Related party transactions

Accounts receivable includes $366,258 (2002 - $137,594) due from the provincial government for operations and $1,345,957 (2002 - $764,203) for capital projects.

---

9. Commitments

Building projects

Under the terms of construction contracts the school division is committed to capital expenditures of $944,098 in the next fiscal year.

Service provider

As at August 31, 2003, the division has annual commitments ranging from $950,000 in 2004 to $1,010,000 in 2006 (2003 - $820,000) to a service provider.

School Jurisdiction Code: 1180

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$32,721,248	$1,230,981	$31,490,267						
(2) Support block	$4,825,934				$3,248,017			$1,577,917	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$929,751	$0	$929,751						
(5) Student Health Initiative (SHI)	$194,733	$0	$185,933						$8,800
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,497,000	$44,910	$1,416,150					$35,940	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$36,413	$0	$24,719	$0	$0			$11,694	$0
(11) **Total Alberta Learning Revenue**	$40,205,079	$1,275,891	$34,046,820	$0	$3,248,017			$1,625,551	$8,800
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$619,722	$0	$0	$619,722					
(13) Operations & Maintenance support	$4,024,540			$4,024,540					
(14) Operations & Maintenance support (One-Time)	$278,867			$278,867					
(15) **Total Alberta Infrastructure Revenue**	$4,923,129	$0	$0	$4,923,129					
(16) **Alberta Finance**	$936,390			$936,390	$0			$0	$0
(17) **Other - Government of Alberta**	$151,476	$0	$143,034	$5,202	$0			$3,240	$0
(18) **Federal Government and/or First Nations**	$184,470	$0	$177,091	$0	$0			$7,379	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$48,000	$0	$46,080	$0	$0			$1,920	$0
(22) **Instruction resource fees**	$581,156	$0	$581,156						
(23) **Transportation fees**	$12,990				$12,990				
(24) **Other sales and services**	$267,272	$0	$109,143	$2,145	$115,309			$40,675	$0
(25) **Investment income**	$85,324	$853	$57,167	$17,065	$6,826			$3,413	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$42,947		$11,333	$31,614	$0			$0	$0
(28) **Net school generated funds**	$550,721		$550,721					$0	
(29) **Gains on disposal of capital assets**	$17,167		$0	$0	$16,480			$687	$0
(30) **Amortization of capital allocations**	$1,982,939		$0	$1,982,939	$0				$0
(31) **TOTAL REVENUES**	$49,989,060	$1,276,744	$35,722,545	$7,898,484	$3,399,622			$1,682,865	$8,800
EXPENSES									
(32) **Certificated salaries**	$24,415,225	$767,526	$23,276,654				$371,045	$371,045	$0
(33) **Certificated benefits**	$2,651,704	$70,888	$2,556,038				$24,778	$24,778	$0
(34) **Uncertificated salaries and wages**	$7,398,499	$171,718	$4,203,617	$637,173	$1,677,057	$81,187	$620,707	$701,894	$7,040
(35) **Uncertificated benefits**	$1,872,486	$21,984	$1,213,068	$131,191	$379,190	$2,274	$123,019	$125,293	$1,760
(36) **SUB - TOTAL**	$36,337,914	$1,032,116	$31,249,377	$768,364	$2,056,247	$83,461	$1,139,549	$1,223,010	$8,800
(37) **Services, contracts & supplies**	$8,450,688	$188,876	$2,906,712	$3,994,711	$862,291	$50,807	$447,291	$498,098	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$550,721		$550,721						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,961,465	$0	$0	$1,961,465	$0		$0	$0	$0
(41) Unsupported	$1,574,028	$0	$754,929	$237,179	$520,948	$0	$60,972	$60,972	$0
(42) Total Amortization	$3,535,493	$0	$754,929	$2,198,644	$520,948	$0	$60,972	$60,972	$0
Interest on capital debt									
(43) Supported	$936,390	$0	$0	$936,390	$0		$0	$0	$0
(44) Unsupported	$59,685	$0	$59,685	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$6,023	$0	$4,898	$375	$375		$375	$375	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$49,876,914	$1,220,992	$35,526,322	$7,898,484	$3,439,861	$134,268	$1,648,187	$1,782,455	$8,800
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$112,146	$55,752	$196,223	$0	($40,239)			($99,590)	$0
Applicable student numbers/FTE equivalent	6,711.0	408	6,507.0	6,708.0	4,682			6,711.0	
AVERAGE PROGRAM COSTS per student	$7,432	$2,993	$5,460	$1,178	$735			$266	

School Jurisdiction Code: 1180

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$18,235,678	$1,807,178	$0	$1,200,755	$1,612,664	$420,379	$0	$23,276,654
Certificated benefits	$1,993,019	$175,431	$0	$149,382	$200,627	$37,579	$0	$2,556,038
Uncertificated salaries and wages	$1,888,690	$590,140	$26,110	$486,516	$950,815	$52,834	$208,512	$4,203,617
Uncertificated benefits	$923,785	$123,670	$7,350	$34,051	$66,558	$4,741	$52,913	$1,213,068
SUB - TOTAL REMUNERATION	$23,041,172	$2,696,419	$33,460	$1,870,704	$2,830,664	$515,533	$261,425	$31,249,377
Services, contracts & supplies	$1,919,054	$249,228	$0	$124,614	$199,382	$412,165	$2,269	$2,906,712
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$550,721							$550,721
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$754,929	$0					$754,929
Total Amortization	$0	$754,929	$0					$754,929
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$59,685						$59,685
Other interest charges	$0	$4,898						$4,898
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$25,510,947	$3,765,159	$33,460	$1,995,318	$3,030,046	$927,698	$263,694	$35,526,322
FTE Certificated				20.0	25.5			
FTE Uncertificated				16.0	43.7			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$28,302,054	$2,556,553	$1,094,569	$0	$31,953,176	$25,841,672	$6,111,504
School Admin & Instruction Support Expenses						$3,765,159	($3,765,159)
System Instruction Support Expenses						$33,460	($33,460)
Total Basic Instruction	$28,302,054	$2,556,553	$1,094,569	$0	$31,953,176	$29,640,291	$2,312,885
Sub-Programs & Initiatives							
Severely Disabled	$1,787,710		$0		$1,787,710	$3,030,046	($1,242,336)
English as a Second Language	$52,912				$52,912	$47,100	$5,812
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$48,975		$0		$48,975	$19,833	$29,142
Institutional Programs	$165,150				$165,150	$216,505	($51,355)
Sparsity & Distance	$272,549				$272,549		$272,549
Growth & Density	$136,786				$136,786		$136,786
Teacher Assistants Program	$120,695				$120,695	$120,695	$0
Early Literacy Initiative (K-2)	$206,208				$206,208	$194,308	$11,900
Learning Resources Credit & Resources for the Classroom	$51,729	$24,719	$581,156		$657,604	$1,527,230	($869,626)
Technology Integration	$276,920		$0		$276,920	$375,897	($98,977)
French Language Program & Francisation (all jurisdictions)	$62,974		$0		$62,974	$342,719	($279,745)
Home Education	$5,605		$0		$5,605	$11,698	($6,093)
Total Sub-Programs & Initiatives	$3,188,213		$581,156		$3,794,088	$5,886,031	($2,091,943)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$31,490,267	$2,581,272	$1,675,725	$0	$35,747,264	$35,526,322	$220,942

School Jurisdiction Code: 1180

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,230,981	$31,490,267		$3,248,017	$1,577,917	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$32,721,248* | = | *$654,425* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1180

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$32,444,328
Support Block - Transportation	$3,248,017
SUBTOTAL	$35,692,345
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,024,540
Teacher Salary Enhancement	$1,497,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$151,476
Federal government/First Nations	$184,470
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$48,000
Other sales and services	$267,272
Interest on investments	$85,324
Rentals of facilities	$42,947
Gains on disposal of capital assets	$17,167
Amortization of capital allocations	$1,982,939
School generated funds (Schedule E)	$1,759,276
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$45,752,756**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,830,110
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,830,110**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,782,455
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$99,978
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,682,477
Maximum Expense Limit for Board & System Administration (Step 3)	$1,830,110
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$147,633

School Jurisdiction Code: 1180

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$1,005,259
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,759,276	
Less: SGF - related cost recoveries (Note 3)	$1,343,280	
- capitalized at the District level (Note 4)	$0	
Net Total	$415,996	
Plus: Donations Received (Note 5)	$109,791	
Equals: Net Additions to SGF		$525,787
Net SGF Available for discretionary spending		$1,531,046
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$550,721
Unexpended SGF - Closing Balance August 31, 2003		$980,325

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1180

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$458,085	$0	$2,810	$176,278	$637,173		$637,173
Uncertificated benefits	$0	$92,714	$0	$534	$37,943	$131,191		$131,191
Sub-total Remuneration	$0	$550,799	$0	$3,344	$214,221	$768,364		$768,364
Contracted Services	$1,467,314	$145,062	$55,988	$534,132	$59,359	$2,261,855		$2,261,855
Supplies	$9,333	$139,784	$0	$0	$30,557	$179,674		$179,674
Electricity			$727,755			$727,755		$727,755
Natural Gas/Heating Fuel			$591,880			$591,880		$591,880
Sewer and Water			$69,002			$69,002		$69,002
Telecommunications			$11,378			$11,378		$11,378
Insurance					$153,167	$153,167		$153,167
Amortization of capital assets								
Supported							$1,961,465	$1,961,465
Unsupported						$237,179		$237,179
Total Amortization						$237,179	$1,961,465	$2,198,644
Interest on capital debt								
Supported							$936,390	$936,390
Unsupported						$0		$0
Other interest charges						$375		$375
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,476,647	$835,645	$1,456,003	$537,476	$457,304	$5,000,629	$2,897,855	$7,898,484
SQUARE METRES								
School Buildings								78,165.6
Non School Buildings								3,572.2

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1180

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Jerry Muelaner	1.0	$22,067	$0	$0	$0	$0	$22,067	$7,173
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Graham Sewell	1.0	$14,095	$0	$0	$0	$0	$14,095	$3,818
Name Faye Lippitt	1.0	$14,026	$0	$0	$0	$0	$14,026	$4,089
Name Doug Gardner	1.0	$17,109	$0	$0	$0	$0	$17,109	$3,620
Name Lori Czerwinski	1.0	$13,890	$0	$0	$0	$0	$13,890	$2,348
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$81,187*	*$0*	*$0*	*$0*	*$0*	*$81,187*	*$21,048*
Superintendent Jim McLellan	1.0	$122,381	$8,457	$0	$0	$0	$130,838	$6,068
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Murray Lloyd	0.5	$54,252	$7,190	$0	$0	$48,067	$109,509	$1,628
Secretary/Treasurer Drew Chipman	0.5	$51,912	$8,893	$0	$0	$0	$60,805	$6,668
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	393.8	$24,292,888	$2,744,221	$0	$0	$0	$27,037,109	
Uncertificated Salaries & Wages	304.0	$7,208,877	$1,709,589	$0	$0	$0	$8,918,466	
TOTALS		**$31,811,497**	**$4,478,350**	**$0**	**$0**	**$48,067**	**$36,337,914**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1180

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 4160

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Fort McMurray Catholic Board of Education
Name of School Jurisdiction

9809 Main Street, Fort McMurray, AB T9H 1T7
Mailing Address

phone: (780) 799 5700 fax: (780) 799 5706
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Fort McMurray Catholic Board of Education (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Terry Langis	"Original Signed By"

SUPERINTENDENT

Name	Signature
J. Daniel McIsaac	"Original Signed By"

SECRETARY TREASURER OR TREASURER

Name	Signature
J. G. Francois Gagnon	"Original Signed By"

15-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING**, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4160

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MEYERS NORRIS PENNY

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES OF THE FORT MCMURRAY
CATHOLIC BOARD OF EDUCATION

We have audited the statement of financial position of The Fort McMurray Catholic Board of Education as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended prepared in accordance with Canadian generally accepting accounting principles and the presentation requirements of Alberta Learning. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fort McMurray Catholic Board of Education as at August 31, 2003 and the results of its operations and the changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles and the presentation requirement of Alberta Learning.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Fort McMurray, Alberta
November 24, 2003

Meyers Norris Penny LLP
Chartered Accountants

BAKER TILLY
INTERNATIONAL

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
9707 MAIN ST. FORT McMURRAY, AB T9H 1T5
PH. (780) 791-9000 FAX (780) 791-9047 www.mnp.ca

School Jurisdiction Code: 4160

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$6,619,549	$8,858,310
Accounts receivable (net after allowances)		$2,469,267	$2,124,717
Prepaid expenses		$97,595	$91,069
Other current assets		($0)	$0
Total current assets		$9,186,411	$11,074,096
School generated assets		$356,529	$327,333
Trust assets		$151,491	$151,737
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,026,122	$1,136,377
Buildings	$52,444,848		
Less: accumulated amortization	($20,832,893)	$31,611,955	$31,563,703
Equipment	$3,291,738		
Less: accumulated amortization	($2,821,164)	$470,574	$660,892
Vehicles	$271,872		
Less: accumulated amortization	($189,332)	$82,540	$121,235
Total capital assets		$33,191,191	$33,482,207
TOTAL ASSETS		$42,885,622	$45,035,372
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,532,050	$2,316,928
Deferred revenue		$1,040,440	$862,603
Deferred capital allocations		$767,910	$1,720,142
Current portion of all long term debt		$726,088	$761,688
Total current liabilities		$4,066,488	$5,661,361
School generated liabilities		$356,529	$327,333
Trust liabilities		$151,491	$151,737
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,621,773	$4,383,460
	Less: Current portion of supported debt	($726,088)	($761,688)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$16,392,372	$15,194,446
Total long term liabilities		$19,796,078	$19,295,288
TOTAL LIABILITIES		$23,862,565	$24,956,650
NET ASSETS			
Unrestricted net assets		$2,035,704	$2,650,635
Operating Reserves		$948,344	$1,099,565
Accumulated Operating Surplus (Deficit)		$2,984,048	$3,750,200
Investment in capital assets		$13,177,046	$13,904,300
Capital Reserves		$2,861,964	$2,424,222
Total Capital Funds		$16,039,009	$16,328,522
Total net assets		$19,023,057	$20,078,722
TOTAL LIABILITIES AND NET ASSETS		$42,885,622	$45,035,372

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4160

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003 (Unaudited)	Actual 2002
REVENUES			
Alberta Learning	$25,368,202	$24,405,000	$23,498,279
Alberta Infrastructure	$2,576,001	$2,278,000	$980,774
Alberta Finance	$700,012	$1,106,000	$835,724
Other Government of Alberta	$4,800	$0	$4,800
Federal Government and/or First Nations	$204,972	$266,000	$133,676
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$167,145	$140,000	$160,050
Transportation fees	$108,791	$105,000	$95,079
Other sales and services	$10,030	$0	$17,338
Investment income	$281,986	$400,000	$264,258
Gifts and donations	$112,250	$40,000	$92,100
Rentals of facilities	$49,826	$60,000	$52,816
Net school generated funds	$87,304	$105,000	$95,030
Gains on disposal of capital assets	$0	$0	$4,501
Amortization of capital allocations	$1,003,538	$900,000	$965,390
Total Revenues	$30,674,857	$29,805,000	$27,199,815
EXPENSES			
Certificated salaries	$15,104,872	$14,600,000	$13,267,504
Certificated benefits	$1,795,636	$1,700,000	$1,519,982
Uncertificated salaries and wages	$5,809,364	$4,900,000	$5,006,529
Uncertificated benefits	$1,014,882	$1,069,000	$675,591
Services, contracts and supplies	$5,479,991	$4,756,000	$4,729,385
Net school generated funds	$87,304	$105,000	$95,030
Capital and debt services			
Amortization of capital assets			
Supported	$1,003,538	$900,000	$965,390
Unsupported	$734,922	$1,200,000	$1,105,943
Total Amortization of capital assets	$1,738,460	$2,100,000	$2,071,333
Interest on capital debt			
Supported	$700,012	$950,000	$835,724
Unsupported	$0	$0	$0
Total Interest on capital debt	$700,012	$950,000	$835,724
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$31,730,522	$30,180,000	$28,201,078
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($1,055,665)	($375,000)	($1,001,263)
Block BQRP revenue used for capital purposes	$0	$217,000	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,055,665)	($158,000)	($1,001,263)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4160

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,055,665)	($1,001,264)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,003,538)	($965,390)
Total amortization expense	$1,738,460	$2,071,333
Gains on disposal of capital assets	$0	($4,501)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($344,550)	($959,659)
Prepaids and other current assets	($6,526)	$12,197
Payables and accrued liabilities	($784,878)	($63,051)
Deferred revenue	$177,837	($76,101)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,278,860)	($986,436)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,439,777)	($5,157,032)
Equipment	($7,669)	($185,882)
Vehicles	$0	($115,865)
Net proceeds from disposal of capital assets	$0	$4,501
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,447,446)	($5,454,278)
C. FINANCING ACTIVITIES		
Capital allocations received	$487,545	$3,163,755
Issue of long term debt	$0	$0
Repayment of long term debt	($761,688)	($769,688)
Add back: supported portion	$761,688	$769,688
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$487,545	$3,163,755
Net sources (uses) of cash equivalents* during year	($2,238,761)	($3,276,959)
Cash Equivalents at the beginning of the year	$8,858,310	$12,135,269
Cash Equivalents at the end of the year	$6,619,549	$8,858,310

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4160

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$20,078,722	$13,904,300	$2,650,635	$3,523,787	$452,763	$510,948	$0	$0	$1,913,274	$646,802	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$20,078,722	$13,904,300	$2,650,635	$3,523,787	$452,763	$510,948	$0	$0	$1,913,274	$646,802	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($1,055,665)		($1,055,665)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$7,668	$0	($7,668)	$0	$0	$0		($7,668)	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,738,460)	$1,738,460												
Amortization of capital allocations		$1,003,538	($1,003,538)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($193,373)	$193,373	$153,251		$0			$40,122		$0		$0	
Net transfers from operating reserves			$344,594	($344,594)	($344,594)		$0			$0		$0		$0	
Net transfers to capital reserves			($445,410)	$445,410		$140,723			$304,687		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$19,023,057	$13,177,046	$2,035,704	$3,810,308	$261,420	$651,671	$0	$0	$2,210,293	$686,924	$0	$0	$0	$0	$0

School Jurisdiction Code: 4160

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$1,720,142	$15,194,446
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$1,720,142	$15,194,446
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$475,780	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$11,765	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$761,688
Expended capital allocations - current year		($1,439,777)	$1,439,777
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,003,538
Balance at August 31, 2003		$767,910	$16,392,372

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Fort McMurray Catholic Board of Education
Notes to Audited Financial Statements – August 31, 2003

1. AUTHORITY AND PURPOSE

The Fort McMurray Catholic Board of Education delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks. The jurisdiction is exempt from payment of income tax under section 149 of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

	Years
Buildings	25 - 40
Site Improvement	20
Vehicles & Buses	5 - 10
Equipment & Furnishings	5 - 10

Only capital assets with costs in excess of $ 5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of non-certificated employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Funds are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan, the jurisdiction does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 233,339 for the year ended August 31, 2003. At of December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $ 445 million (2001: surplus of $635 million).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, temporary investments, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs.

Fort McMurray Catholic Board of Education
Notes to Audited Financial Statements – August 31, 2003

3. CASH AND TEMPORARY INVESTMENTS

	2003	2002
Cash		
Cash and operating funds	$ 450,017	$ 2,847,418
U.S. funds and exchange	1,368	460
Imprest funds	44,500	44,500
Endowment Funds – (Trust)	(101,491)	(101,737)
Total Cash	**$ 394,394**	**$ 2,790,641**
Temporay Investments		
Investment in AMF	$ 10	$ 10
Term Deposits – ATB	2,000,000	2,000,000
Raymond James Investment	4,275,146	4,117,659
Endowment Investment (Trust)	(50,000)	(50,000)
Total Investments	**$ 6,225,155**	**$ 6,067,669**
Total Cash & Temporary Investments	**$ 6,619,549**	**$ 8,858,310**

4. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$1,981,480	$1,303,859
Alberta Municipalities	187,325	224,664
Other	300,462	596,193
Total	$2,469,267	$2,124,716

5. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,000,000 that bears interest at a rate lower than the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

6. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

Operating Reserves	2002	Appropriated	Used	2003
School	452,763	153,251	(344,594)	261,420
Operations and Maintainance	-	-	-	-
Board and System Admin.	646,802	40,122	-	686,924
Transportation	-	-	-	-
External Services	-	-	-	-
Total	**1,099,565**	**193,373**	**(344,594)**	**948,344**

Capital Reserves	2002	Appropriated	Used	2003
Land - Supported	-	-	-	-
Land - Unsupported	-	-	-	-
Building - Supported	-	-	-	-
Building - Unsupported	513,912	208,729	-	722,641
Equipment	1,940,392	197,986	(7,668)	2,130,710
Vehicles	(30,081)	38,695	-	8,614
Total	**2,424,223**	**445,410**	**(7,668)**	**2,861,965**

CAPITAL ASSETS

Asset	Cost	Accumulated Amortization	Net Book Value	
			2003	2002
Land	$ 3,148,320	$ 2,122,197	$ 1,026,122	$ 1,136,377
Buildings	52,444,848	20,832,893	31,611,955	31,563,703
Vehicles	271,872	189,332	82,540	121,235
Equipment	3,291,738	2,821,164	470,574	660,892
Total	**$ 59,156,777**	**$ 25,965,586**	**$ 33,191,191**	**$ 33,482,207**

Buildings include $ 6,942,018 (2002 - $ 6,455,941) of costs that have not been amortized during the current year as they relate to construction projects not substantially complete as of August 31, 2003.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Province of Alberta	$ 233,733	$ 283,524
Holdbacks – capital projects	66,473	583,851
Payroll payables	212,125	166,134
Vacation entitlement	134,726	117,705
Retiree benefits	104,761	119,317
Other trade payables	778,733	1,045,004
Other liabilities	1,499	1,394
Total	**$ 1,532,050**	**$ 2,316,928**

9. DEFERRED REVENUES

	2003	2002
One Time Operations & Maintenance Support	$ 214,010	$ 0
1999 One Time Grant Funding	783,580	783,580
Alberta Learning – One Time Funding 3%	0	52,528
2003 Budget - One Time Grant for Transportation	9,600	0
Government of Canada – INAC Tuition	18,783	13,434
School Fees	14,467	13,061
Total	**$ 1,040,440**	**$ 862,603**

a. In 1999, Alberta Learning announced a one-time grant as a major investment in education. The jurisdiction's share of this one-time funding was $1,023,580. Of this amount, the jurisdiction designated $240,000 for a local early grade investment program that was expended in School Year 1999-2000. There is $783,580 in funds remaining in deferred revenue at year-end that have been designated to a special growth reserve.

b. In July 2003, Alberta Infrastructure announced and provided one-time funding of $214,010 to address cost pressures in Plant Operations and Maintenance for school buildings. Given the late announcement of this decision, the jurisdiction elected not to exercise the provided option to allocate a portion of this additional funding to the 2002-03 school year and has therefore deferred the full amount to 2003-04.

c. The jurisdiction also received a one-time grant for student transportation in the amount of $9,600. The full amount of this grant has been deferred to 2003-04.

10. TRUST ASSETS

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2003	2002
Education Endowment Funds	101,491	101,737

Endowment Fund – Interest Earning Deposit	50,000	50,000
Total	**$ 151,491**	**$ 151,737**

11. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2003	2002
2002-2003		761,688
2003-2004	726,088	726,088
2004-2005	643,641	643,641
2005-2006	618,080	618,080
2006-2007	295,640	295,640
2007-2008	206,016	206,016
2009 to maturity	1,132,308	1,132,308
Total	$ 3,621,773	$ 4,383,460
Less: Current portion	(726,088)	(761,688)
Long Term Debt	**$ 2,895,685**	**$ 3,621,772**

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

12. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations account are as follows:

	2003	2002
Father Beauregard Expansion and Modernization	$ 338,286	$ 651,269
Sister Mary Phillips Expansion	291,359	0
BQRP Projects	138,265	899,467
Modernization Block Funding Projects	0	169,406
Balance, End of Year	**$ 767,910**	**$ 1,720,142**

13. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1,1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocations account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2003	2002
Balance, beginning of year	$ 15,194,446	$ 10,233,116
Additions: supported debenture principal repayments	761,688	769,688
Transfer from Deferred Capital Allocations	1,439,777	5,157,032
Deductions: Amortization of Capital Allocations	(1,003,538)	(965,390)
Balance, End of Year	**$ 16,392,372**	**$ 15,194,446**

Unamortized capital allocations include $ 6,942,018 (2002 - $ 6,455,941) of costs that have not been amortized during the current year as they relate to building construction projects not substantially complete as of August 31, 2003.

14. SCHOOL GENERATED FUNDS

	2003	2002
Balance, beginning of year	$ 327,333	$ 293,937
Source of School Generated Funds (SGF):		
Total SGF for the year	915,627	719,316
Less: Costs of generating SGF	(799,127)	(590,890)
Donations received	-	-
Net additions to SGF	$ 116,500	$ 128,426
Net SGF available for discretionary spending	$ 443,833	$ 422,363
Less: Net SGF expended for the year	(87,304)	(95,030)
Balance, End of Year	**$ 356,529**	**$ 327,333**

15. COMMITMENTS

Building Projects

The jurisdiction is committed to further capital expenditures for five major capital projects still in progress at August 31, 2003. The total amount of these contracts is $7,324,021. Of this amount, $6,698,392 has been recorded in these financial statements as capital assets. The jurisdiction has a commitment of $625,629 for the completion of these capital projects. These costs will be funded from deferred capital allocations from Alberta Infrastructure, operating surplus and capital reserves.

On June 19, 2003, the Ministers of Infrastructure and Leaning announced the approval of funding in the amount of $6,793,000 to construct a new Catholic elementary/junior high school in the Timberlea area of Fort McMurray. As of August 31, 2003, no funds were received and no expenses were incurred relating to this project. The value of this project is not reflected in any manner in these financial statements.

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Fort McMurray Catholic Board of Education's primary source of income is from the Alberta Government. This jurisdiction's ability to continue viable operations is dependent on this funding.

17. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

18. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the current year's presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 4160

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$22,070,073	$2,768,730	$19,301,344						
(2) Support block	$1,920,695				$617,140			$1,303,555	
(3) Instruction & support block réallocations	$0	($668,132)	$668,132		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$467,768	$0	$467,768						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$851,000	$32,529	$818,471					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$58,665	$0	$58,665	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$25,368,202	$2,133,127	$21,314,380	$0	$617,140			$1,303,555	$0
Alberta infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$2,576,001			$2,576,001					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$2,576,001	$0	$0	$2,576,001					
(16) **Alberta Finance**	$700,012			$700,012	$0			$0	$0
(17) **Other - Government of Alberta**	$4,800	$0	$0	$4,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$204,972	$0	$204,972	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$167,145	$13,500	$153,645						
(23) **Transportation fees**	$108,791				$108,791				
(24) **Other sales and services**	$10,030	$0	$6,058	$0	$0			$3,972	$0
(25) **Investment income**	$281,986	$0	$281,986	$0	$0			$0	$0
(26) **Gifts and donations**	$112,250	$0	$112,250	$0	$0				$0
(27) **Rentals of facilities**	$49,826		$0	$12,290	$0			$0	$37,536
(28) **Net school generated funds**	$87,304		$87,304					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,003,538		$54,141	$949,397	$0				$0
(31) **TOTAL REVENUES**	$30,674,857	$2,146,627	$22,214,736	$4,242,500	$725,930			$1,307,527	$37,536
EXPENSES									
(32) **Certificated salaries**	$15,104,872	$895,381	$13,987,322				$222,169	$222,169	$0
(33) **Certificated benefits**	$1,795,636	$109,780	$1,671,253				$14,603	$14,603	$0
(34) **Uncertificated salaries and wages**	$5,809,364	$713,951	$3,389,382	$1,139,828	$21,958	$55,686	$440,271	$495,957	$48,289
(35) **Uncertificated benefits**	$1,014,882	$119,020	$593,406	$205,586	$5,152	$2,163	$80,133	$82,296	$9,423
(36) **SUB - TOTAL**	$23,724,754	$1,838,131	$19,641,363	$1,345,414	$27,109	$57,849	$757,176	$815,025	$57,712
(37) **Services, contracts & supplies**	$5,479,991	$308,495	$2,240,465	$1,758,447	$741,881	$69,450	$361,254	$430,704	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$20,176	$0	$0	$0	$0	$0	($20,176)
(39) **Net school generated funds**	$87,304		$87,304						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,003,538	$0	$54,141	$949,397	$0		$0	$0	$0
(41) Unsupported	$734,922	$0	$140,723	$572,522	$0	$0	$21,677	$21,677	$0
(42) Total Amortization	$1,738,460	$0	$194,864	$1,521,919	$0	$0	$21,677	$21,677	$0
Interest on capital debt									
(43) Supported	$700,012	$0	$0	$700,012	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$31,730,522	$2,146,627	$22,184,172	$5,325,792	$768,990	$127,298	$1,140,107	$1,267,406	$37,536
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($1,055,865)	$0	$30,565	($1,083,292)	($43,059)			$40,122	$0
Applicable student numbers/FTE equivalent	3,764	453	3,538.0	3,995.0	1,283			3,764.0	
AVERAGE PROGRAM COSTS per student	$8,430	$4,739	$6,270	$1,335	$599			$337	

School Jurisdiction Code: 4160

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,171,477	$1,667,312	$245,108	$567,336	$121,572	$214,518	$0	$13,987,322
Certificated benefits	$1,307,207	$225,416	$27,461	$70,332	$15,060	$25,778	$0	$1,671,253
Uncertificated salaries and wages	$315,665	$928,830		$359,943	$1,580,716	$204,228	$0	$3,389,382
Uncertificated benefits	$56,177	$174,536		$65,613	$260,689	$36,391	$0	$593,406
SUB - TOTAL REMUNERATION	$12,850,526	$2,996,093	$272,568	$1,063,223	$1,978,037	$480,915	$0	$19,641,363
Services, contracts & supplies	$1,086,731	$856,303	$3,769	$214,452	$73,735	$5,475	$0	$2,240,465
Cost recoveries & transfers	$0	$20,176	$0	$0	$0	$0	$0	$20,176
Net school generated funds	$87,304							$87,304
Amortization of capital assets								
Supported	$0	$54,141	$0					$54,141
Unsupported	$36,876	$103,846	$0					$140,723
Total Amortization	$36,876	$157,988	$0					$194,864
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$14,061,436	$4,030,560	$276,337	$1,277,675	$2,051,773	$486,390	$0	$22,184,172
FTE Certificated				8.9	1.9			
FTE Uncertificated				15.9	63.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,675,073	$1,286,239	$741,711	$668,132	$18,371,156	$14,670,324	$3,700,832
School Admin & Instruction Support Expenses						$4,030,560	($4,030,560)
System Instruction Support Expenses						$276,337	($276,337)
Total Basic Instruction	$15,675,073	$1,286,239	$741,711	$668,132	$18,371,156	$18,977,221	($606,065)
Sub-Programs & Initiatives							
Severely Disabled	$1,122,033				$1,122,033	$2,051,773	($929,740)
English as a Second Language	$8,507				$8,507	$2,587	$5,920
Enhanced Opportunities	$20,000				$20,000	$27,225	($7,225)
First Nations, Metis, and Inuit Education	$105,891		$5,000		$110,891	$128,554	($17,663)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,811,404				$1,811,404		$1,811,404
Growth & Density	$92,685				$92,685		$92,685
Teacher Assistants Program	$77,665				$77,665	$77,665	$0
Early Literacy Initiative (K-2)	$158,832				$158,832	$199,959	($41,127)
Learning Resources Credit & Resources for the Classroom	$32,587	$58,665	$153,645		$244,897	$508,597	($263,700)
Technology Integration	$152,091		$0		$152,091	$157,987	($5,896)
French Language Program & Francisation (all jurisdictions)	$43,454		$0		$43,454	$49,415	($5,961)
Home Education	$1,121		$0		$1,121	$3,189	($2,068)
Total Sub-Programs & Initiatives	$3,626,270		$158,645		$3,843,581	$3,206,951	$636,630
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$19,301,344	$1,344,905	$900,356	$668,132	$22,214,736	$22,184,172	$30,565

School Jurisdiction Code: 4160

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,768,730	$19,301,344		$617,140	$1,303,555	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$22,070,073* = *$441,401* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($668,132)	$668,132				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($668,132)	$668,132		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 4160

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$21,917,982
Support Block - Transportation	$617,140
SUBTOTAL	$22,535,122
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,576,001
Teacher Salary Enhancement	$851,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$4,800
Federal government/First Nations	$204,972
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$10,030
Interest on investments	$281,986
Rentals of facilities	$49,826
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,003,538
School generated funds (Schedule E)	$915,627
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$28,432,903**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**5.20%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,479,478
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,479,478**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,267,406
PLUS: transfers to Restricted - Operating (Board/System Administration)	$40,122
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,307,528
Maximum Expense Limit for Board & System Administration (Step 3)	$1,479,478
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$171,950

School Jurisdiction Code: 4160

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note		$327,333
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$915,627	
Less: SGF - related cost recoveries (Note 3)	$799,127	
- capitalized at the District level (Note 4)	$0	
Net Total	$116,500	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$116,500
Net SGF Available for discretionary spending		$443,833
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$87,304
Unexpended SGF - Closing Balance August 31, 2003		$356,529

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4160

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$823,704	$204,088	$0	$0	$112,036	$1,139,828		$1,139,828
Uncertificated benefits	$147,284	$36,492	$0	$0	$21,810	$205,586		$205,586
Sub-total Remuneration	$970,988	$240,580	$0	$0	$133,846	$1,345,414		$1,345,414
Contracted Services	$0	$480,833	$0	$0	$0	$480,833		$480,833
Supplies	$113,417	$147,354	$0	$0	$11,048	$271,819		$271,819
Electricity			$568,796			$568,796		$568,796
Natural Gas/Heating Fuel			$341,321			$341,321		$341,321
Sewer and Water			$42,157			$42,157		$42,157
Telecommunications			$19,184			$19,184		$19,184
Insurance					$34,337	$34,337		$34,337
Amortization of capital assets								
Supported							$949,397	$949,397
Unsupported						$572,522		$572,522
Total Amortization						$572,522	$949,397	$1,521,919
Interest on capital debt								
Supported							$700,012	$700,012
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,084,405	$868,767	$971,458	$0	$179,231	$3,676,383	$1,649,409	$5,325,792
SQUARE METRES								
School Buildings								42,189.0
Non School Buildings								2,790.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4160

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Terry Langis	1.0	$12,348	$487	$0	$0	$0	$12,835	$1,165
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Geraldine Carbery	1.0	$12,450	$449	$0	$0	$0	$12,899	$6,570
Name Lisa Daviduck	1.0	$11,634	$409	$0	$0	$0	$12,043	$4,044
Name Jim Moore	1.0	$9,360	$409	$0	$0	$0	$9,769	$743
Name Maria Vyboh	1.0	$9,894	$409	$0	$0	$0	$10,303	$2,147
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$55,686*	*$2,163*	*$0*	*$0*	*$0*	*$57,849*	*$14,669*
Superintendent J Daniel McIsaac	1.0	$119,700	$5,878	$0	$3,447	$0	$129,025	$10,850
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Francois Gagnon	1.0	$103,000	$15,071	$0	$0	$0	$118,071	$2,988
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	222.4	$14,981,725	$1,789,758	$0	$0	$0	$16,771,483	
Uncertificated Salaries & Wages	194.7	$5,650,678	$997,649	$0	$0	$0	$6,648,327	
TOTALS		**$20,910,789**	**$2,810,518**	**$0**	**$3,447**	**$0**	**$23,724,754**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4160

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3260

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

FORT MCMURRAY SCHOOL DISTRICT NO. 2833
Name of School Jurisdiction

231 HARDIN STREET, FORT MCMURRAY, AB T9H 2G2
Mailing Address

PHONE (780) 799-7900 FAX (780) 743-2655
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules FORT MCMURRAY SCHOOL DISTRICT NO. 2833 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

SHARON CLARKSON	"Original Signed By"
Name	Signature

SUPERINTENDENT

KATH RHYASON	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

KAREL MEULENBROEK	"Original Signed By"
Name	Signature

December 9, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3260

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AUDITORS' REPORT

TO THE BOARD OF TRUSTEES
FORT MCMURRAY SCHOOL DISTRICT NO. 2833

We have audited the statement of financial position of the Fort McMurray School District No. 2833 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school district as at August 31, 2003 and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

This audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

Chartered Accountants

November 28, 2003
Fort McMurray, Alberta

School Jurisdiction Code: 3260

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$10,339,131	$7,448,955
Accounts receivable (net after allowances)		$1,346,841	$753,074
Prepaid expenses		$443,264	$468,843
Other current assets		$0	$0
Total current assets		$12,129,236	$8,670,872
School generated assets		$635,958	$610,636
Trust assets		$461,963	$318,919
Long term accounts receivable		$0	$0
Capital assets			
Land		$4,371,874	$4,371,874
Buildings	$59,642,608		
Less: accumulated amortization	($29,301,767)	$30,340,841	$26,482,981
Equipment	$6,315,130		
Less: accumulated amortization	($5,920,243)	$394,887	$413,070
Vehicles	$329,823		
Less: accumulated amortization	($258,368)	$71,455	$105,657
Total capital assets		$35,179,057	$31,373,582
TOTAL ASSETS		$48,406,214	$40,974,009
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,835,488	$2,787,067
Deferred revenue		$2,434,722	$2,222,621
Deferred capital allocations		$4,156,791	$2,105,977
Current portion of all long term debt		$1,101,986	$1,195,711
Total current liabilities		$11,528,987	$8,311,376
School generated liabilities		$635,958	$610,636
Trust liabilities		$461,963	$318,919
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,395,839	$4,591,550
	Less: Current portion of supported debt	($1,101,986)	($1,195,711)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$25,402,306	$20,386,107
Total long term liabilities		$28,794,080	$24,711,501
TOTAL LIABILITIES		$40,323,067	$33,022,877
NET ASSETS			
Unrestricted net assets		$241,716	$763,343
Operating Reserves		$1,360,579	$691,924
Accumulated Operating Surplus (Deficit)		$1,602,295	$1,455,267
Investment in capital assets		$6,380,912	$6,395,925
Capital Reserves		$99,940	$99,940
Total Capital Funds		$6,480,852	$6,495,865
Total net assets		$8,083,147	$7,951,132
TOTAL LIABILITIES AND NET ASSETS		$48,406,214	$40,974,009

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3260

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$30,989,092	$29,667,483	$29,028,297
Alberta Infrastructure	$4,032,177	$3,204,712	$1,547,040
Alberta Finance	$482,848	$720,883	$574,352
Other Government of Alberta	$28,444	$43,412	$42,444
Federal Government and/or First Nations	$204,901	$288,000	$314,956
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$192,271	$189,300	$197,292
Transportation fees	$170,178	$146,625	$161,119
Other sales and services	$816	$0	$37
Investment income	$109,115	$125,000	$142,339
Gifts and donations	$167,500	$0	$112,910
Rentals of facilities	$79,528	$0	$71,107
Net school generated funds	$755,293	$1,250,000	$440,802
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,450,847	$1,385,000	$1,442,016
Total Revenues	$38,663,011	$37,020,415	$34,074,711
EXPENSES			
Certificated salaries	$15,819,942	$15,700,000	$14,436,073
Certificated benefits	$2,864,946	$2,900,000	$2,509,732
Uncertificated salaries and wages	$7,618,283	$6,800,000	$6,642,289
Uncertificated benefits	$1,677,090	$1,400,000	$1,468,970
Services, contracts and supplies	$7,780,338	$6,864,532	$6,625,976
Net school generated funds	$755,293	$1,250,000	$440,802
Capital and debt services			
Amortization of capital assets			
Supported	$1,450,847	$1,385,000	$1,442,016
Unsupported	$122,315	$0	$234,715
Total Amortization of capital assets	$1,573,162	$1,385,000	$1,676,731
Interest on capital debt			
Supported	$434,284	$720,883	$574,352
Unsupported	$7,659	$0	$0
Total Interest on capital debt	$441,943	$720,883	$574,352
Other interest charges	$0	$0	$6,895
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$38,530,997	$37,020,415	$34,381,820
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$132,015	$0	($307,109)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$132,015	$0	($307,109)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3260

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$132,015	($307,109)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,450,847)	($1,442,016)
Total amortization expense	$1,573,162	$1,676,731
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($593,767)	$176,124
Prepaids and other current assets	$25,579	($65,126)
Payables and accrued liabilities	$1,048,421	$983,971
Deferred revenue	$212,101	($69,672)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$946,664	$952,903
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($5,271,335)	($385,775)
Equipment	($107,302)	($48,929)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($5,378,637)	($434,704)
C. FINANCING ACTIVITIES		
Capital allocations received	$7,322,149	$2,272,446
Issue of long term debt	$0	$0
Repayment of long term debt	($1,195,711)	($1,448,370)
Add back: supported portion	$1,195,711	$1,448,370
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$7,322,149	$2,272,446
Net sources (uses) of cash equivalents* during year	$2,890,176	$2,790,645
Cash Equivalents at the beginning of the year	$7,448,955	$4,658,310
Cash Equivalents at the end of the year	$10,339,131	$7,448,955

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 3260

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,951,132	$6,395,925	$763,343	$791,884	$212,689	$0	$0	$0	$99,940	$479,235	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,951,132	$6,395,925	$763,343	$791,884	$212,689	$0	$0	$0	$99,940	$479,235	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$132,015		$132,015												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$107,302	$0	($107,302)	($107,302)	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,573,162)	$1,573,162												
Amortization of capital allocations		$1,450,847	($1,450,847)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($1,205,931)	$1,205,931	$669,274		$417,096			$106,683		$12,878		$0	
Net transfers from operating reserves			$429,974	($429,974)	$0		($417,096)			$0		($12,878)		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$8,083,147	$6,380,912	$241,716	$1,460,519	$774,661	$0	$0	$0	$99,940	$585,918	$0	$0	$0	$0	$0

School Jurisdiction Code: 3260

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$2,105,977	$20,386,107
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$2,105,977	$20,386,107
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$7,168,001	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$154,148	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,195,711
Expended capital allocations - current year		($5,271,335)	$5,271,335
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,450,847
Balance at August 31, 2003		$4,156,791	$25,402,306

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

FORT MCMURRAY SCHOOL DISTRICT NO. 2833

Notes to Financial Statements

August 31, 2003

The Fort McMurray School District No. 2833 is governed by statutes of Alberta under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2003. The district is exempt from payment of income tax under Section 149 of the Income Tax Act.

The district receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the district, within specified limits, to reallocate funding between instruction and support blocks.

1. Significant accounting principles and reporting practices:

The financial statements have been prepared by school district management in accordance with Canadian generally accepted accounting principles for school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable.

Capital allocations from the province or other funding agencies are recorded as deferred capital allocations until spent. Once spent they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the capital allocation. Capital allocations relate to capital grants received or to debenture support received for debt originally incurred for the purpose of acquiring capital assets.

b) Capital assets:

The school district recognizes a capital asset as any capital asset that has an original cost greater than $5,000 per item; except that where a new facility is constructed the initial furnishings for the facility are capitalized en bloc.

1. Significant accounting principles and reporting practices (continued):

b) Capital assets (continued)

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

	Years
Buildings	25 - 40
Equipment	5
Vehicles	5 - 10

No amortization is recorded in the year the asset is acquired.

Where a disposition of supported capital assets occurs, the net gain from the disposition is recorded in the deferred capital allocations account. This policy provides for a matching of revenue and expenditure streams related to future capital asset purchases.

c) School generated funds:

Funds generated from school-based activities are included as assets, liabilities, revenue and expense of the school district because the fiduciary responsibility for these funds rests with the Board of Trustees of the school district. These funds are usually collected and retained at the schools for expenditures paid at the school level (e.g. yearbooks, graduation costs, field trips).

d) Contributed services:

Volunteers assist schools operated by the school district in carrying out certain activities. Because of the difficulty of determining fair value and because such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

e) Pensions

Pension costs included in these statements comprise the cost of district contributions for current service of employees

f) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses. Prepaid expenses also include the unexpired insurance premiums at year end.

1. Significant accounting principles and reporting practices (continued):

g) Operating and capital reserves

Reserves are established at the discretion of the school district trustees or externally, to set aside funds for operating and for capital expenditures. Such reserves are appropriations of unrestricted net assets.

2. Accounts receivable:

	2003 ($000)	2002 ($000)
Provincial government	592	349
Federal government	193	121
Other	562	284
	1,347	754

3. Trust assets and liabilities:

	2003 ($000)	2002 ($000)
Scholarships	68	68
Music	20	23
Deferred leave	31	115
Student Health Initiative	334	105
Other	9	8
	462	319

4. Capital assets:

	2003 ($000)			2002 ($000)
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	4,372		4,372	4,372
Buildings	59,643	29,302	30,341	26,483
Equipment	6,315	5,920	395	413
Vehicles	330	259	71	106
	70,660	35,481	35,179	31,374

5. Deferred revenue:

	2003 ($000)	2002 ($000)
B.Q.R.P. and modernization block funding	685	1,077
Alberta Learning one-time funding 1999	909	970
AMFC rebate		49
infrastructure school grant		65
Alberta Learning – Ecole Boreal	588	
Alberta initiative for school improvement (AISI)	49	34
Native education project	204	28
	2,435	2,223

6. Deferred capital allocations:

Deferred capital allocations show the cumulative amount of capital funding received for projects which the school district had not completed as of the year end. These projects and deferred capital allocations may be summarized as follows:

	2003 ($000)	2002 ($000)
School capital funding	3,156	1,260
Unspent capital modernization in funding	609	609
Unspent proceeds from disposal of supported assets	210	210
Interest earned on funding balances	182	27
	4,157	2,106

7. Long-term debt:

	2003 ($000)	2002 ($000)
Alberta Municipal Finance Corporation debentures, interest rates vary from 9.125% to 12.0%. Repayment terms vary from 7 years to 25 years	3,396	4,592
Less current portion	(1,102)	(1,196)
	2,294	3,396

Principal repayments of long term debt are required as follows:

		($000)
Year ended August 31,	2004	1,102
	2005	896
	2006	896
	2007	377
	2008 to maturity	125
		3,396

The debentures are secured against district school buildings having a net book value of $29,890,000.

8. Restricted operating reserves:

	2003 ($000)	2002 ($000)
Board and system administration	586	479
System instruction support	775	213
	1,361	692

9. Unamortized capital allocations:

Unamortized capital allocations (UCA) represent the district's net investment in supported capital assets. Capital allocations are increased by the principal portion of debenture debt repayments and by expenditures made from the deferred capital allocations account. Capital allocations are amortized over the same period of time as the related assets.

Changes in unamortized capital allocations may be summarized as follows:

	2003 ($000)	2002 ($000)
Balance, beginning of year	20,386	19,994
Debenture support received	1,196	1,448
Funding received for capital assets	5,271	386
Less amortization of capital allocations	(1,451)	(1,442)
Balance, end of year	25,402	20,386

10. Budget amounts:

The budget was prepared by the school jurisdiction management with Board of Trustees' approval given on June 27, 2002. It is presented for information purposes only and has not been audited.

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11. Contingent assets:

The school district is a member of The Urban Schools Insurance Consortium (USIC) which facilitates the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from favorable claims experience and accumulated by the consortium to self-insure a portion of the members' risk. The district's share of the accumulated consortium funds as at August 31, 2003 was $218,041 (2002; $151,984). This contingent asset is not recorded in the accounts of the school district. Amounts paid to USIC are recorded as insurance expense in the year paid.

12. Financial instruments:

The school district's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable, accrued liabilities and long term debt. Unless otherwise noted, it is management's opinion that the school district is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value, unless otherwise noted.

13. Operating lease commitments:

The following operating lease payments are required under the terms of leases expiring through 2007:

2003	115,513
2004	87,766
2005	87,766
2006	15,375

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 3260

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$26,915,778	$2,254,559	$24,661,220						
(2) Support block	$2,395,270				$896,227			$1,499,043	
(3) Instruction & support block reallocations	$0	$0	($100,000)		$100,000			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$538,107	$0	$538,107						
(5) Student Health Initiative (SHI)	$2,668	$0	$2,668						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,027,000	$0	$1,027,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$110,270	$0	$110,270	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$30,989,092	$2,254,559	$26,239,264	$0	$996,227			$1,499,043	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$409,646	$0	$0	$409,646					
(13) Operations & Maintenance support	$3,344,662			$3,344,662					
(14) Operations & Maintenance support (One-Time)	$277,869			$277,869					
(15) **Total Alberta Infrastructure Revenue**	$4,032,177	$0	$0	$4,032,177					
(16) **Alberta Finance**	$482,848			$482,848	$0			$0	$0
(17) **Other - Government of Alberta**	$28,444	$0	$28,444		$0			$0	$0
(18) **Federal Government and/or First Nations**	$204,901	$0	$204,901	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$192,271	$0	$192,271						
(23) **Transportation fees**	$170,178				$170,178				
(24) **Other sales and services**	$816	$0	$816	$0	$0			$0	$0
(25) **Investment income**	$109,115	$0	$109,115	$0	$0			$0	$0
(26) **Gifts and donations**	$167,500	$0	$167,500	$0	$0				$0
(27) **Rentals of facilities**	$79,528		$79,528	$0	$0			$0	$0
(28) **Net school generated funds**	$755,293		$755,293					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,450,847		$0	$1,450,847	$0				$0
(31) **TOTAL REVENUES**	$38,663,011	$2,254,559	$27,777,132	$5,965,872	$1,166,405			$1,499,043	$0
EXPENSES									
(32) **Certificated salaries**	$15,819,942	$524,270	$15,295,672				$0	$0	$0
(33) **Certificated benefits**	$2,864,946	$61,410	$2,803,536				$0	$0	$0
(34) **Uncertificated salaries and wages**	$7,618,283	$952,713	$4,364,449	$1,456,434	$38,347	$82,753	$723,587	$806,340	$0
(35) **Uncertificated benefits**	$1,677,090	$191,468	$1,021,166	$329,688	$8,950	$1,875	$123,943	$125,818	$0
(36) **SUB - TOTAL**	$27,980,261	$1,729,861	$23,484,823	$1,786,122	$47,297	$84,628	$847,530	$932,158	$0
(37) **Services, contracts & supplies**	$7,780,338	$451,268	$3,132,546	$2,648,299	$1,131,986	$100,115	$316,124	$416,239	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$755,293		$755,293						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,450,847	$0	$0	$1,441,594	$0		$9,253	$9,253	$0
(41) Unsupported	$122,315	$0	$22,595	$65,010	$0	$0	$34,710	$34,710	$0
(42) Total Amortization	$1,573,162	$0	$22,595	$1,506,604	$0	$0	$43,963	$43,963	$0
Interest on capital debt									
(43) Supported	$434,284	$0	$0	$434,284	$0		$0	$0	$0
(44) Unsupported	$7,659	$0	$0	$7,659	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$38,530,997	$2,181,129	$27,395,257	$6,382,968	$1,179,283	$184,743	$1,207,617	$1,392,360	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$132,015	$73,430	$381,876	($417,096)	($12,878)			$106,683	$0
Applicable student numbers/FTE equivalent	4,642.0	360	4,462.0	4,551.8	1,724			4,642.0	
AVERAGE PROGRAM COSTS per student	$8,301	$6,059	$6,140	$1,402	$684			$300	

School Jurisdiction Code: 3260

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,674,974	$2,844,137	$42,927	$456,255	$0	$277,379	$0	$15,295,672
Certificated benefits	$2,260,222	$419,496	$7,607	$82,059	$0	$34,152	$0	$2,803,536
Uncertificated salaries and wages	$937,357	$1,019,942	$80,706	$0	$2,178,848	$147,596	$0	$4,364,449
Uncertificated benefits	$235,629	$222,061	$23,055	$0	$503,677	$36,744	$0	$1,021,166
SUB - TOTAL REMUNERATION	$15,108,182	$4,505,636	$154,295	$538,313	$2,682,524	$495,872	$0	$23,484,823
Services, contracts & supplies	$1,926,272	$1,106,617	$48,943	$242	$5,600	$42,205	$2,668	$3,132,546
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$755,293							$755,293
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$22,595	$0	$0					$22,595
Total Amortization	$22,595	$0	$0					$22,595
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$17,812,342	$5,612,253	$203,238	$538,555	$2,688,124	$538,077	$2,668	$27,395,257
FTE Certificated				5.5	0.0			
FTE Uncertificated				0.0	93.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$18,833,914	$1,628,617	$1,345,597	($100,000)	$21,708,128	$17,021,452	$4,686,676
School Admin & Instruction Support Expenses						$5,612,253	($5,612,253)
System Instruction Support Expenses						$203,238	($203,238)
Total Basic Instruction	$18,833,914	$1,628,617	$1,345,597	($100,000)	$21,708,128	$22,836,943	($1,128,815)
Sub-Programs & Initiatives							
Severely Disabled	$2,651,790		$0		$2,651,790	$2,688,124	($36,334)
English as a Second Language	$182,666				$182,666	$182,666	$0
Enhanced Opportunities	$67,032				$67,032	$67,032	$0
First Nations, Metis, and Inuit Education	$100,964		$0		$100,964	$100,964	($0)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,253,884				$2,253,884		$2,253,884
Growth & Density	$70,383				$70,383		$70,383
Teacher Assistants Program	$78,593				$78,593	$82,849	($4,256)
Early Literacy Initiative (K-2)	$147,057				$147,057	$171,553	($24,496)
Learning Resources Credit & Resources for the Classroom	$29,624	$49,427	$192,271		$271,322	$312,649	($41,327)
Technology Integration	$189,286		$0		$189,286	$896,448	($707,162)
French Language Program & Francisation (all jurisdictions)	$28,396		$0		$28,396	$28,396	($0)
Home Education	$27,632		$0		$27,632	$27,632	$0
Total Sub-Programs & Initiatives	$5,827,306		$192,271		$6,069,004	$4,558,313	$1,510,691
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$24,661,220	$1,678,044	$1,537,869	($100,000)	$27,777,132	$27,395,257	$381,876

School Jurisdiction Code: 3260

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,254,559	$24,661,220		$896,227	$1,499,043	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		($100,000)		$100,000		
Calculation: 2% of *$26,915,778* = *$538,316* *($100,000)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	($100,000)		$100,000	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3260

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$26,726,492
Support Block - Transportation	$896,227
SUBTOTAL	$27,622,719

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,344,662
Teacher Salary Enhancement	$1,027,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$28,444
Federal government/First Nations	$204,901
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$816
Interest on investments	$109,115
Rentals of facilities	$79,528
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,450,847
School generated funds (Schedule E)	$1,019,742
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$34,887,774**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.79%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,671,124

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,671,124**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,392,360
PLUS: transfers to Restricted - Operating (Board/System Administration)	$106,683
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,499,043
Maximum Expense Limit for Board & System Administration (Step 3)	$1,671,124
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$172,081

School Jurisdiction Code: 3260

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$610,636
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,019,742	
Less: SGF - related cost recoveries (Note 3)	$300,464	
- capitalized at the District level (Note 4)	$0	
Net Total	$719,278	
Plus: Donations Received (Note 5)	$61,337	
Equals: Net Additions to SGF		$780,615
Net SGF Available for discretionary spending		$1,391,251
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$755,293
Unexpended SGF - Closing Balance August 31, 2003		$635,958

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3260

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,144,028	$271,036	$0	$0	$41,370	$1,456,434		$1,456,434
Uncertificated benefits	$251,131	$69,362	$0	$0	$9,195	$329,688		$329,688
Sub-total Remuneration	$1,395,159	$340,398	$0	$0	$50,565	$1,786,122		$1,786,122
Contracted Services	$0	$434,924	$17,841	$409,646	$2,778	$865,189		$865,189
Supplies	$122,751	$118,852	$0	$0	$0	$241,603		$241,603
Electricity			$738,091			$738,091		$738,091
Natural Gas/Heating Fuel			$657,774			$657,774		$657,774
Sewer and Water			$92,562			$92,562		$92,562
Telecommunications			$0			$0		$0
Insurance					$53,080	$53,080		$53,080
Amortization of capital assets								
Supported							$1,441,594	$1,441,594
Unsupported						$65,010		$65,010
Total Amortization						$65,010	$1,441,594	$1,506,604
Interest on capital debt								
Supported							$434,284	$434,284
Unsupported						$7,659		$7,659
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,517,910	$894,174	$1,506,268	$409,646	$106,423	$4,507,090	$1,875,878	$6,382,968
SQUARE METRES								
School Buildings								55,938.5
Non School Buildings								5,916.8

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3260

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Sharon Clarkson	1.0	$17,480	$397	$0	$0	$0	$17,877	$4,364
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Lyn Gorman	1.0	$16,520	$366	$0	$0	$0	$16,886	$2,725
Name	Rhonda Reich	1.0	$17,000	$381	$0	$0	$0	$17,381	$5,504
Name	Jeffrey Thompson	1.0	$16,520	$366	$0	$0	$0	$16,886	$3,081
Name	Tami Weber	1.0	$16,520	$366	$0	$0	$0	$16,886	$3,532
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*5.0*	*$84,040*	*$1,875*	*$0*	*$0*	*$0*	*$85,915*	*$19,206*
Superintendent	Kath Rhyason	1.0	$116,480	$3,214	$5,000	$0	$0	$124,694	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Karel Meulenbroek	0.1	$9,071	$1,901	$500	$0	$0	$11,472	$0
Secretary/Treasurer	Randy Hoffman	0.3	$53,380	$6,837	$0	$0	$0	$60,217	$0
Board Secretary	Acting Secretary/Treasurer - Gary Stevenson	0.6	$53,237	$10,435	$0	$0	$0	$63,671	$593
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		245.9	$15,819,942	$2,864,946	$4,500	$0	$0	$18,689,386	
Uncertificated Salaries & Wages		233.8	$7,302,075	$1,652,829	$11,750	$0	$0	$8,966,654	
TOTALS			**$23,438,225**	**$4,542,036**	**$21,750**	**$0**	**$0**	**$28,002,011**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3260

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specified goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1250

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Fort Vermilion School Division No. 52
Name of School Jurisdiction

P.O. Bag # 1, Fort Vermilion, Alberta T0H 1N0
Mailing Address

Ph : 1-780-927-3766 Fax : 1-780-927-4625
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Fort Vermilion School Division No. 52
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

David Steer	**"Original signed by"**
Name	**Signature**

SUPERINTENDENT

Ken Dropko	**"Original signed by"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Russell Horswill	**"Original signed by"**
Name	**Signature**

November 12,2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1250

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AUDITORS' REPORT

To the Board of Trustees of

FORT VERMILION SCHOOL DIVISION NO. 52

We have audited the statement of financial position of the **Fort Vermilion School Division No. 52** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP

October 24, 2003
Leduc, Alberta

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 1250

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$0	$4,602,407
Accounts receivable (net after allowances)		$3,021,750	$2,914,157
Prepaid expenses		$213,247	$395,139
Other current assets		$150,288	$91,819
Total current assets		$3,385,285	$8,003,522
School generated assets		$274,837	$205,901
Trust assets		$114,566	$112,958
Long term accounts receivable		$0	$0
Capital assets			
Land		$712,077	$712,077
Buildings	$68,385,521		
Less: accumulated amortization	($17,180,627)	$51,204,894	$52,241,190
Equipment	$5,000,486		
Less: accumulated amortization	($1,737,461)	$3,263,025	$2,407,899
Vehicles	$5,005,894		
Less: accumulated amortization	($2,840,360)	$2,165,534	$2,121,541
Total capital assets		$57,345,530	$57,482,707
TOTAL ASSETS		$61,120,218	$65,805,088
LIABILITIES			
Current liabilities			
Bank indebtedness		$221,232	$0
Accounts payable and accrued liabilities		$2,118,863	$4,075,985
Deferred revenue		$289,323	$1,311,925
Deferred capital allocations		$85,886	$744,001
Current portion of all long term debt		$1,390,831	$1,436,321
Total current liabilities		$4,106,135	$7,568,232
School generated liabilities		$274,837	$205,901
Trust liabilities		$114,566	$112,958
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,948,410	$9,384,731
	Less: Current portion of supported debt	($1,390,831)	($1,436,321)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$40,424,558	$39,267,388
Total long term liabilities		$47,371,540	$47,534,657
TOTAL LIABILITIES		$51,477,675	$55,102,889
NET ASSETS			
Unrestricted net assets		$0	$402,124
Operating Reserves		$488,948	$1,324,142
Accumulated Operating Surplus (Deficit)		$488,948	$1,726,266
Investment in capital assets		$8,972,558	$8,830,587
Capital Reserves		$181,037	$145,346
Total Capital Funds		$9,153,595	$8,975,933
Total net assets		$9,642,543	$10,702,199
TOTAL LIABILITIES AND NET ASSETS		$61,120,218	$65,805,088

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1250

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$24,341,751	$24,668,477	$23,341,224
Alberta Infrastructure	$3,647,317	$2,394,598	$910,270
Alberta Finance	$874,912	$1,131,118	$1,125,916
Other Government of Alberta	$150,000	$100,000	$250,406
Federal Government and/or First Nations	$3,217,054	$3,571,456	$3,278,419
Other Alberta school authorities	$140,719	$140,719	$140,719
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$50,660	$48,000	$32,916
Transportation fees	$0	$0	$0
Other sales and services	$238,441	$157,445	$216,763
Investment income	$36,858	$60,000	$118,010
Gifts and donations	$17,125	$36,000	$32,031
Rentals of facilities	$306,310	$155,000	$244,191
Net school generated funds	$221,158	$160,000	$222,822
Gains on disposal of capital assets	$4,791	$7,500	$12,195
Amortization of capital allocations	$2,310,196	$1,897,597	$1,857,697
Total Revenues	$35,557,312	$34,527,910	$31,783,579
EXPENSES			
Certificated salaries	$15,018,265	$14,779,289	$13,386,326
Certificated benefits	$1,626,132	$1,730,106	$1,496,776
Uncertificated salaries and wages	$6,371,878	$5,873,046	$5,859,324
Uncertificated benefits	$1,213,489	$1,067,448	$1,057,050
Services, contracts and supplies	$7,873,753	$7,644,279	$6,194,817
Net school generated funds	$221,158	$160,000	$222,822
Capital and debt services			
Amortization of capital assets			
Supported	$2,310,396	$2,009,597	$1,857,697
Unsupported	$1,098,660	$731,622	$917,911
Total Amortization of capital assets	$3,409,056	$2,741,219	$2,775,608
Interest on capital debt			
Supported	$874,912	$1,131,118	$1,031,424
Unsupported	$0	$0	$0
Total Interest on capital debt	$874,912	$1,131,118	$1,031,424
Other interest charges	$2,071	$400	$866
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$36,610,714	$35,146,907	$32,025,013
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($1,053,402)	($618,997)	($241,434)
Block SQRP revenue used for capital purposes	$0	$0	$310,974
Block MOD revenue used for capital purposes	$0	$0	$646,334
1999 One-time grant revenue used for capital purposes	$0	$0	$252,524
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,053,402)	($618,997)	$968,398

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1250

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,053,402)	$968,398
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,310,196)	($1,857,697)
Total amortization expense	$3,409,056	$2,775,608
Gains on disposal of capital assets	($4,791)	($12,195)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($107,593)	$3,054,290
Prepaids and other current assets	$123,423	($75,473)
Payables and accrued liabilities	($1,957,122)	$1,013,954
Deferred revenue	($1,022,602)	($934,394)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($2,923,227)	$4,932,491
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($24,417)
Buildings	($1,367,058)	($8,307,627)
Equipment	($1,475,062)	($1,081,255)
Vehicles	($466,222)	($427,097)
Net proceeds from disposal of capital assets	$35,000	$12,195
Other (describe)		$0
Total sources (uses) of cash from Investing activities	($3,273,342)	($9,828,201)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,372,930	$1,877,220
Issue of long term debt	$0	$0
Repayment of long term debt	($1,436,321)	($1,647,249)
Add back: supported portion	$1,436,321	$1,647,249
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,372,930	$1,877,220
Net sources (uses) of cash equivalents* during year	($4,823,639)	($3,018,490)
Cash Equivalents at the beginning of the year	$4,602,407	$7,620,897
Cash Equivalents at the end of the year	($221,232)	$4,602,407

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1250

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$10,702,199	$8,830,587	$402,124	$1,469,488	$1,034,036	$11,488	$181,226	$0	$40,328	$95,943	$79,305	$12,937	$14,225	$0	$0
Prior period adjustments (describe)															
	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$10,702,199	$8,830,587	$402,124	$1,469,488	$1,034,036	$11,488	$181,226	$0	$40,328	$95,943	$79,305	$12,937	$14,225	$0	$0
Surplus(def) of revenue over expenses	($1,053,402)		($1,053,402)												
Block BORP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,277,294	($891,960)	($385,334)	($95,391)	$0	($148,317)		($10,200)	($52,121)	($79,305)	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($3,409,056)	$3,409,056												
Amortization of capital allocations		$2,310,196	($2,310,196)												
Disposal of unsupported capital assets	$0	($30,209)	($4,791)	$35,000		$15,000			$0		$0		$20,000		$0
Disposal of supported capital assets	($6,254)	($6,254)	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($104,668)	$104,668	$104,668		$0			$0		$0		$0	
Net transfers from operating reserves			$644,033	($644,033)	($554,365)		($32,909)			($43,822)		($12,937)		$0	
Net transfers to capital reserves			($90,196)	$90,196		$90,196			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$9,642,543	$8,972,558	$0	$669,985	$488,948	$116,684	$0	$0	$30,128	$0	$0	$0	$34,225	$0	$0

School Jurisdiction Code: 1250

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$744,001	$39,267,388
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$744,001	$39,267,388
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$1,292,930	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$80,000	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,436,321
Expended capital allocations - current year		($2,031,045)	$2,031,045
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,310,196
Balance at August 31, 2003		$85,886	$40,424,558

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and Purpose

The School Division delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with Alberta Learning for Alberta School Divisions. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known. The financial statements have been prepared within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

The School Division amortizes grants received for construction and acquisition of capital assets as revenue on the same basis that the cost of the assets is amortized as expense. Since the receipt of the grants does not coincide with the amortization of the cost, the unamortized portion of the grants are recorded as a liability on the statement of financial position. These capital allocations are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

2. Significant Accounting Policies (continued)

Capital Assets

Capital assets are stated at cost and amortized over the estimated useful lives of the assets on a straight-line basis at the following rates:

Buildings	25 and 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years
Land Improvements	20 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. No amortization is taken in the year of acquisition.

School Generated Funds

Funds generated from school-based activities are included in assets, liabilities, revenues and expenses of the School Division because the accountability, control and ownership of these funds rest with the School Division. These funds are usually collected and retained at the school for expenditures paid at the school level.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $15,264 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Inventory

Inventory is recorded at the lesser of cost and net realizable value.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year-end, and are accordingly recorded as prepaid expenses.

2. Significant Accounting Policies (continued)

Financial Instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act. With ministerial approval, the School Division has entered into a series of hedge contracts for the purchase of natural gas on a pilot project basis for a two year period. These hedge contracts are jointly undertaken with the Peace River School Division.

Reserves

Reserves are established at the discretion of the Board of Trustees of the School Division, or externally, to set aside funds for future operating and capital expenditures.

Surpluses identified from school operations are transferred to reserves subject to the availability of unrestricted net assets, and transferred from reserves when the use of the funds have been identified by the schools. During the year, withdrawals from reserves have been made to adjust unrestricted net assets to Nil. See Note 9 for details on reserve balances.

Employee Future Benefits

The School Division accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the School Division at this time.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could vary from those estimates.

The School Division receives revenue from First Nations for tuition and transportation of students. At August 31, 2003, the School Division showed accounts receivable in the amount of $861,130 (2002 - $777,848) relating to this revenue. The amounts charged to the First Nations is based upon the number of students and average cost of education which are determined by the Division and subsequently approved by the First Nations and Department of Indian and Northern Affairs. Changes related to the average cost of education are negotiated between the parties, and adjusted in the period in which they are determined.

3. Accounts Receivable

	2003	2002
Province of Alberta	$ 1,731,998	$ 1,517,668
Federal Government and/or First Nations	1,030,892	1,095,889
Other Alberta School Jurisdictions	9,389	-
Other	249,471	300,600
	$ 3,021,750	$ 2,914,157

4. Capital Assets

Capital assets consist of the following amounts:

	Cost	Accumulated Amortization	Net Book Value 2003	Net Book Value 2002
Land	$ 712,077	$ -	$ 712,077	$ 712,077
Buildings	68,385,521	17,180,627	51,204,894	52,241,190
Equipment	4,749,032	1,649,691	3,099,341	2,231,642
Vehicles	5,005,894	2,840,360	2,165,534	2,121,541
Land improvements	251,454	87,770	163,684	176,257
	$79,103,978	$21,758,448	$57,345,530	$57,482,707

5. Bank Indebtedness

The School Division has negotiated a line of credit in the amount of $2,000,000 that bears interest at prime less 0.25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction.

6. Accounts Payable and Accrued Liabilities

	2003	2002
Province of Alberta	$ 472,212	$ 558,110
Federal Government and/or First Nations	90,776	59,439
Other	1,555,875	3,458,436
	$ 2,118,863	$ 4,075,985

7. Deferred Revenue

The following amounts have been deferred and will be recognized as income to match the expenditures as incurred.

	2003	2002
AISI Project (Alberta Learning)	$ 144,473	$ 132,243
Modernization Block Funding (Alberta Infrastructure)	99,192	635,542
Silver Birch (Alberta Family Social Services)	34,388	34,388
Program Unit Grant (Alberta Learning)	7,044	35,392
BQRP Block Funding (Alberta Infrastructure)	798	365,842
One time grant (Alberta Learning)	-	88,288
Other amounts	3,428	20,230
	$ 289,323	$ 1,311,925

8. Long-term Debt

	2003	2002
Alberta Municipal Finance Corporation debenture debt repayable in annual instalments including interest at rates varying between 7.5 and 12.0%. The debentures are fully supported by Alberta Finance.	$ 7,948,410	$ 9,384,731
Less current portion	(1,390,831)	(1,436,321)
	$ 6,557,579	$ 7,948,410

Principal repayment requirements are estimated as follows:

2003/2004	$ 1,390,831
2004/2005	1,350,709
2005/2006	1,252,427
2006/2007	1,208,787
2007/2008	793,121
To maturity	1,952,535
	$ 7,948,410

The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore the working capital (current assets minus current liabilities) is understated by this amount.

9. Reserves

	2003	2002
Capital Reserves		
Equipment	$ 93,559	$ 30,863
Vehicles	75,345	92,150
Buildings	9,933	20,133
Land	2,200	2,200
	181,037	145,346
Operating Reserves		
School operating budgets	303,012	534,365
School operating – future equipment purchases	93,389	173,780
Divisional equipment	92,547	335,435
Divisional operating commitments	-	43,980
Divisional buildings	-	206,907
Divisional vehicles	-	29,675
	488,948	1,324,142
Unrestricted Net Assets	-	402,124
	$ 669,985	$ 1,871,612

10. Department of Indian and Northern Affairs School

The School Division operates the Upper Hay River Day School under an agreement with the Department of Indian and Northern Affairs Canada (INAC) and the North Peace Tribal Council. Under the terms of the agreement the School Division is responsible for all instructional costs and custodial salaries and supplies, for which they are reimbursed. These revenues and expenses, which are included in the statement of revenues and expenses as part of External Services, are summarized as follows:

	2003	2002
Revenue		
INAC and North Peace Tribal Council	$ 1,196,370	$ 1,055,322
Rental income	3,600	-
Transfer from (to) deferred revenue	(31,336)	13,248
Allocated for future purchase	(5,000)	-
	1,163,634	1,068,570

10. Department of Indian and Northern Affairs School (continued)

	2003	2002
Operating expenditures		
Instructional	849,389	905,726
Custodial supplies and salaries	69,994	66,906
	919,383	972,632
Capital expenditures		
Housing purchase	95,313	-
Supernet technology	57,000	-
	152,313	-
Administration fee	91,938	95,938
	1,163,634	1,068,570
Excess of Revenue over Expenditures	$ -	$ -

11. Budgeted Amounts

The budget was prepared by the School Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. Economic Dependence on Related Third Party

The School Division's primary source of revenue is from the Alberta Government. The School Division's ability to continue viable operations is dependent upon this funding.

13. Comparative Figures

Certain of the prior year's comparative figures have been reclassified to conform to the current year's presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1250

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$19,690,935	$923,779	$18,767,156						
(2) Support block	$3,131,230				$1,853,834			$1,277,396	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$404,526	$0	$404,526						
(5) Student Health Initiative (SHI)	$182,409	$0	$174,554						$7,855
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$847,000	$31,423	$801,035					$14,542	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$85,651	$0	$29,700	$0	$55,951			$0	$0
(11) **Total Alberta Learning Revenue**	$24,341,751	$955,202	$20,176,971	$0	$1,909,785			$1,291,938	$7,855
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$991,812	$0	$0	$991,812					
(13) Operations & Maintenance support	$2,409,460			$2,409,460					
(14) Operations & Maintenance support (One-Time)	$246,045			$246,045					
(15) **Total Alberta Infrastructure Revenue**	$3,647,317	$0	$0	$3,647,317					
(16) **Alberta Finance**	$874,912			$874,912	$0			$0	$0
(17) **Other - Government of Alberta**	$150,000	$0	$150,000	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$3,217,054	$0	$1,551,342	$250,076	$131,685			$120,317	$1,163,634
(19) **Other Alberta school authorities**	$140,710	$0	$140,710	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$50,680	$0	$50,680						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$238,441	$0	$41,628	$7,852	$188,461			$500	$0
(25) **Investment income**	$36,858		$30,338	$4,500	$0			$2,020	$0
(26) **Gifts and donations**	$17,125	$0	$17,125	$0	$0				$0
(27) **Rentals of facilities**	$306,310		$142,693	$146,506	$17,111			$0	$0
(28) **Net school generated funds**	$221,158		$221,158					$0	
(29) **Gains on disposal of capital assets**	$4,791		$124	$0	$4,667			$0	$0
(30) **Amortization of capital allocations**	$2,310,196		$283,521	$2,026,675	$0				$0
(31) **TOTAL REVENUES**	$35,557,312	$955,202	$22,806,299	$6,957,838	$2,251,700			$1,414,775	$1,171,489
EXPENSES									
(32) **Certificated salaries**	$15,018,265	$459,559	$13,861,790				$226,013	$226,013	$470,903
(33) **Certificated benefits**	$1,626,132	$64,158	$1,496,135				$16,356	$16,356	$49,483
(34) **Uncertificated salaries and wages**	$6,371,878	$159,086	$3,230,012	$1,091,525	$1,117,496	$85,675	$480,166	$565,841	$207,918
(35) **Uncertificated benefits**	$1,213,489	$57,341	$602,742	$192,450	$233,078	$3,382	$91,476	$94,858	$33,020
(36) **SUB - TOTAL**	$24,229,764	$740,144	$19,190,679	$1,283,975	$1,350,574	$89,057	$814,011	$903,068	$761,324
(37) **Services, contracts & supplies**	$7,873,753	$28,469	$3,553,478	$2,770,691	$595,507	$139,172	$468,209	$607,381	$318,227
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$49,136	$0	($49,136)	$0	($91,938)	($91,938)	$91,938
(39) **Net school generated funds**	$221,158		$221,158						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,310,396	$0	$283,521	$2,026,875	$0		$0	$0	$0
(41) Unsupported	$1,098,660	$0	$291,034	$371,150	$310,794	$0	$125,682	$125,682	$0
(42) Total Amortization	$3,409,056	$0	$574,555	$2,398,025	$310,794	$0	$125,682	$125,682	$0
Interest on capital debt									
(43) Supported	$874,912	$0	$0	$874,912	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,071	$0	$60	$0	$0		$2,011	$2,011	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$36,610,714	$768,613	$23,589,066	$7,327,603	$2,207,739	$228,229	$1,317,975	$1,546,204	$1,171,489
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($1,053,402)	$186,589	($782,767)	($369,765)	$43,970			($131,429)	$0
Applicable student numbers/FTE equivalent	3,693.0	300	3,393.0	3,492.0	2,351			3,543.0	
AVERAGE PROGRAM COSTS per student	$9,914	$2,562	$6,952	$2,098	$938			$436	

School Jurisdiction Code: 1250

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,508,601	$873,921	$52,692	$988,168	$246,442	$191,966	$0	$13,861,790
Certificated benefits	$1,211,673	$114,557	$4,673	$121,011	$28,490	$15,731	$0	$1,496,135
Uncertificated salaries and wages	$860,938	$1,030,176	$18,443	$44,163	$1,121,316	$29,085	$125,891	$3,230,012
Uncertificated benefits	$119,458	$226,810	$5,735	$8,832	$218,984	$3,669	$19,254	$602,742
SUB - TOTAL REMUNERATION	$13,700,670	$2,245,464	$81,543	$1,162,174	$1,615,232	$240,451	$145,145	$19,190,679
Services, contracts & supplies	$2,686,892	$532,885	$22,457	$1,926	$127,604	$152,305	$29,409	$3,553,478
Cost recoveries & transfers	$49,136	$0	$0	$0	$0	$0	$0	$49,136
Net school generated funds	$221,158							$221,158
Amortization of capital assets								
Supported	$283,521	$0	$0					$283,521
Unsupported	$277,634	$10,646	$2,754					$291,034
Total Amortization	$561,155	$10,646	$2,754					$574,555
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$60	$0						$60
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$17,219,071	$2,788,995	$106,754	$1,164,100	$1,742,836	$392,756	$174,554	$23,589,066
FTE Certificated				17.2	4.3			
FTE Uncertificated				2.1	53.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$12,941,502	$1,358,803	$2,578,648	$0	$16,878,953	$18,072,316	($1,193,363)
School Admin & Instruction Support Expenses						$2,788,995	($2,788,995)
System Instruction Support Expenses						$106,754	($106,754)
Total Basic Instruction	$12,941,502	$1,358,803	$2,578,648	$0	$16,878,953	$20,968,065	($4,089,112)
Sub-Programs & Initiatives							
Severely Disabled	$880,317		$0		$880,317	$1,742,836	($862,519)
English as a Second Language	$164,789				$164,789	$160,284	$4,505
Enhanced Opportunities	$21,000				$21,000	$21,000	$0
First Nations, Metis, and Inuit Education	$155,094		$0		$155,094	$150,441	$4,653
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$4,022,153				$4,022,153		$4,022,153
Growth & Density	$131,756				$131,756		$131,756
Teacher Assistants Program	$74,431				$74,431	$72,429	$2,002
Early Literacy Initiative (K-2)	$156,915				$156,915	$152,684	$4,231
Learning Resources Credit & Resources for the Classroom	$30,556	$51,012	$50,680		$132,248	$132,684	($436)
Technology Integration	$132,010		$0		$132,010	$132,010	$0
French Language Program & Francisation (all jurisdictions)	$23		$0		$23	$23	$0
Home Education	$56,610		$0		$56,610	$56,610	$0
Total Sub-Programs & Initiatives	$5,825,654		$50,680		$5,927,346	$2,621,001	$3,306,345
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$18,767,156	$1,409,815	$2,629,328	$0	$22,806,299	$23,589,066	($782,767)

School Jurisdiction Code: 1250

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$923,779	$18,767,156		$1,853,834	$1,277,396	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$19,690,935*** = ***$393,819*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1250

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$19,558,925
Support Block - Transportation	$1,853,834
SUBTOTAL	$21,412,759

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,409,460
Teacher Salary Enhancement	$847,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$150,000
Federal government/First Nations	$3,217,054
Other Alberta school authorities	$140,719
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$238,441
Interest on investments	$36,858
Rentals of facilities	$306,310
Gains on disposal of capital assets	$4,791
Amortization of capital allocations	$2,310,196
School generated funds (Schedule E)	$838,741
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$31,912,329**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4% **5.48%**

If "Total Net Enrolled Students" are 2,000 and le = 6%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,748,796

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,748,796**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,546,204
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$43,822
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,502,382
Maximum Expense Limit for Board & System Administration (Step 3)	$1,748,796
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$246,414

School Jurisdiction Code: 1250

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$205,901
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$838,741	
Less: SGF - related cost recoveries (Note 3)	$584,351	
- capitalized at the District level (Note 4)	$0	
Net Total	$254,390	
Plus: Donations Received (Note 5)	$35,704	
Equals: Net Additions to SGF		$290,094
Net SGF Available for discretionary spending		$495,995
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$221,158
Unexpended SGF - Closing Balance August 31, 2003		$274,837

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1250

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$881,884	$148,811	$0	$0	$60,830	$1,091,525		$1,091,525
Uncertificated benefits	$142,464	$41,410	$0	$0	$8,576	$192,450		$192,450
Sub-total Remuneration	$1,024,348	$190,221	$0	$0	$69,406	$1,283,975		$1,283,975
Contracted Services	$41,315	$246,830	$0	$991,812	$40,974	$1,320,931		$1,320,931
Supplies	$116,629	$144,335	$0	$0	$2,028	$262,992		$262,992
Electricity			$574,595			$574,595		$574,595
Natural Gas/Heating Fuel			$419,183			$419,183		$419,183
Sewer and Water			$107,479			$107,479		$107,479
Telecommunications			$13,745			$13,745		$13,745
Insurance					$71,766	$71,766		$71,766
Amortization of capital assets								
Supported							$2,026,875	$2,026,875
Unsupported						$371,150		$371,150
Total Amortization						$371,150	$2,026,875	$2,398,025
Interest on capital debt								
Supported							$874,912	$874,912
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,182,292	$581,386	$1,115,002	$991,812	$184,174	$4,425,816	$2,901,787	$7,327,603
SQUARE METRES								
School Buildings								43,472.7
Non School Buildings								1,069.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1250

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Steer, David A	1.0	$14,643	$634	$0	$0	$0	$15,277	$12,806
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Bell, Allison	1.0	$11,024	$398	$0	$0	$0	$11,422	$6,473
Name	Dimond, Grace	1.0	$9,573	$350	$0	$0	$0	$9,923	$6,660
Name	Hoffman, Thomas	1.0	$5,255	$100	$0	$0	$0	$5,355	$1,929
Name	Lambert, Keith	1.0	$13,155	$562	$0	$0	$0	$13,717	$6,813
Name	Neudorf, Lena	1.0	$11,970	$577	$0	$0	$0	$12,547	$8,687
Name	Schroeder, Waldemar	1.0	$12,065	$491	$0	$0	$0	$12,556	$6,588
Name	Wiebe, Bernard D	1.0	$7,990	$270	$0	$0	$0	$8,260	$5,868
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*8.0*	*$85,675*	*$3,382*	*$0*	*$0*	*$0*	*$89,057*	*$55,824*
Superintendent	Dropko, Ken	1.0	$125,489	$6,595	$5,000	$0	$0	$137,084	$49,613
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Horswill, Russell	1.0	$108,958	$15,722	$5,000	$0	$0	$129,680	$18,736
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		234.5	$14,892,776	$1,619,537	$0	$0	$0	$16,512,313	
Uncertificated Salaries & Wages		223.6	$6,177,245	$1,194,385	$0	$0	$0	$7,371,630	
TOTALS			**$21,390,143**	**$2,839,621**	**$10,000**	**$0**	**$0**	**$24,239,764**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1250

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2155

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Golden Hills School Division No. 75

Name of School Jurisdiction

435 A Highway #1, Strathmore, AB T1P 1S6

Mailing Address

Phone: (403)934-5121 Fax: (403)934-5125

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Golden Hills School Division No. 75
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Art Eeles — "Original signed by"
Name — **Signature**

SUPERINTENDENT

Dianne McBeth — "Original signed by"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Vincent Gaudet — "Original signed by"
Name — **Signature**

10-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2155

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MNP
MEYERS NORRIS PENNY

Auditors' Report

To the Board of Trustees
Golden Hills School Division No. 75

We have audited the statement of financial position of the Golden Hills School Division No. 75 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School Jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Jurisdiction as at August 31, 2003 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Drumheller, Alberta
October 23, 2003

BAKER TILLY
INTERNATIONAL

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
P.O. BOX 789, 365 - 2ND ST E, DRUMHELLER AB T0J 0Y0
1-877-932-3387 PH. (403) 823-7800 FAX (403) 823-8914 www.mnp.ca

School Jurisdiction Code: 2155

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$634,244	$5,633,684
Accounts receivable (net after allowances)		$2,156,488	$2,369,519
Prepaid expenses		$370,936	$630,969
Other current assets		$143,586	$121,626
Total current assets		$3,305,254	$8,755,798
School generated assets		$672,910	$573,248
Trust assets		$382,145	$383,091
Long term accounts receivable		$0	$0
Capital assets			
Land		$677,202	$677,202
Buildings	$65,580,739		
Less: accumulated amortization	($25,748,791)	$39,831,948	$36,945,281
Equipment	$2,685,687		
Less: accumulated amortization	($1,010,887)	$1,674,800	$1,683,867
Vehicles	$3,354,311		
Less: accumulated amortization	($2,193,572)	$1,160,739	$1,263,423
Total capital assets		$43,344,689	$40,569,773
TOTAL ASSETS		$47,704,998	$50,281,910
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,532,752	$3,600,113
Deferred revenue		$456,159	$1,073,016
Deferred capital allocations		$484,983	$3,840,431
Current portion of all long term debt		$1,067,033	$1,096,407
Total current liabilities		$3,540,927	$9,609,967
School generated liabilities		$672,910	$573,248
Trust liabilities		$382,145	$383,091
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$6,009,166	$6,983,247
Less: Current portion of supported debt		($962,081)	($974,081)
Unsupported: Debentures and Capital Loans		$1,056,000	$1,104,000
Capital Leases		$60,764	$130,004
Mortgages		$0	$0
Less: Current portion of unsupported debt		($104,952)	($122,326)
Unamortized capital allocations		$32,711,775	$29,028,201
Total long term liabilities		$39,825,727	$37,105,384
TOTAL LIABILITIES		$43,366,654	$46,715,351
NET ASSETS			
Unrestricted net assets		$517,606	$331,124
Operating Reserves		$244,313	$174,342
Accumulated Operating Surplus (Deficit)		$761,919	$505,466
Investment in capital assets		$3,506,987	$2,991,655
Capital Reserves		$69,438	$69,438
Total Capital Funds		$3,576,425	$3,061,093
Total net assets		$4,338,344	$3,566,559
TOTAL LIABILITIES AND NET ASSETS		$47,704,998	$50,281,910

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2155

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003 (unaudited)	Actual 2002
REVENUES			
Alberta Learning	$38,696,722	$38,026,441	$39,062,471
Alberta Infrastructure	$4,222,254	$4,082,175	$1,934,075
Alberta Finance	$623,537	$900,000	$722,749
Other Government of Alberta	$205,182	$124,700	$282,057
Federal Government and/or First Nations	$1,642,363	$1,217,884	$1,244,949
Other Alberta school authorities	$13,621	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$45,267	$92,500	$60,300
Instruction resource fees	$530,568	$445,684	$503,319
Transportation fees	$0	$5,000	$0
Other sales and services	$412,275	$236,568	$360,631
Investment income	$98,141	$83,319	$108,428
Gifts and donations	$966	$0	$2,875
Rentals of facilities	$73,423	$72,000	$74,990
Net school generated funds	$2,284,986	$982,386	$1,447,508
Gains on disposal of capital assets	$0	$0	$3,696
Amortization of capital allocations	$2,075,628	$1,704,521	$1,815,117
Total Revenues	$50,924,933	$47,973,178	$47,623,165
EXPENSES			
Certificated salaries	$24,522,567	$24,624,324	$23,268,195
Certificated benefits	$2,768,277	$2,605,710	$2,532,834
Uncertificated salaries and wages	$8,289,829	$7,847,765	$7,703,066
Uncertificated benefits	$1,833,678	$1,410,719	$1,579,283
Services, contracts and supplies	$8,007,505	$8,360,063	$7,731,631
Net school generated funds	$2,284,986	$982,386	$1,447,508
Capital and debt services			
Amortization of capital assets			
Supported	$2,075,628	$1,704,521	$1,815,117
Unsupported	$443,801	$342,511	$406,332
Total Amortization of capital assets	$2,519,429	$2,047,032	$2,221,449
Interest on capital debt			
Supported	$623,537	$900,000	$722,749
Unsupported	$68,750	$68,750	$71,750
Total Interest on capital debt	$692,287	$968,750	$794,499
Other interest charges	$827	$1,825	$774
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$50,919,385	$48,848,574	$47,279,239
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$5,548	($875,396)	$343,926
Block BQRP revenue used for capital purposes	$414,518	($69,240)	$143,827
Block MOD revenue used for capital purposes	$351,719	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$771,785	($944,636)	$487,753

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2155

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$771,785	$487,753
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,075,628)	($1,815,117)
Total amortization expense	$2,519,429	$2,221,449
Gains on disposal of capital assets	$0	($3,696)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$213,031	$1,251,584
Prepaids and other current assets	$238,073	$30,313
Payables and accrued liabilities	($2,067,361)	($2,518,665)
Deferred revenue	($616,857)	$70,809
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,017,528)	($275,570)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($4,883,582)	($3,856,435)
Equipment	($265,867)	($390,263)
Vehicles	($144,896)	($293,589)
Net proceeds from disposal of capital assets	$0	$3,696
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($5,294,345)	($4,536,591)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,429,673	$7,331,725
Issue of long term debt	$0	$0
Repayment of long term debt	($1,091,321)	($1,202,221)
Add back: supported portion	$974,081	$1,010,393
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,312,433	$7,139,897
Net sources (uses) of cash equivalents* during year	($4,999,440)	$2,327,736
Cash Equivalents at the beginning of the year	$5,633,684	$3,305,948
Cash Equivalents at the end of the year	$634,244	$5,633,684

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 2155

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
				TOTAL	RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$3,566,559	$2,991,655	$331,124	$243,780	$174,342	$22,750	$0	$0	$46,688	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$3,566,559	$2,991,655	$331,124	$243,780	$174,342	$22,750	$0	$0	$46,688	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$771,785		$771,785												
Block BQRP funded capital transactions		$414,518	($414,518)												
Block MOD funded capital transactions		$351,719	($351,719)												
Board funded capital transactions		$144,896	($144,896)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,519,429)	$2,519,429												
Amortization of capital allocations		$2,075,628	($2,075,628)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$48,000	($48,000)												
Net transfers to operating reserves			($244,313)	$244,313	$244,313		$0			$0		$0		$0	
Net transfers from operating reserves			$174,342	($174,342)	($174,342)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$4,338,344	$3,506,987	$517,606	$313,751	$244,313	$22,750	$0	$0	$46,688	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 2155

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$3,840,431	$29,028,201
Prior period adjustment	$0	
Adjusted balance, August 31, 2002	$3,840,431	$29,028,201
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$1,220,036	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$182,062	
Interest earned on provincial government capital allocations	$27,575	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$974,081
Expended capital allocations - current year	($4,785,121)	$4,785,121
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$2,075,628
Balance at August 31, 2003	$484,983	$32,711,775

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1) AUTHORITY AND PURPOSE

Golden Hills School Division No. 75 ("the Jurisdiction") delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002. The Jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent upon future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

- Instruction and support allocations are recognized in the year to which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- Unrestricted contributions are recognized as revenue when received and receivable.
- Contributions in-kind are recorded at fair market value when reasonably determinable.
- Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings and major modernization	2.5% to 4%
Minor modernization	10%
Vehicles and buses	10% to 20%
Equipment and furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School generated funds

These are funds in the community that come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year. The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Jurisdiction does not make pension contributions for certificated staff.

The Jurisdiction participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $340,509 for the year ended August 31, 2003 (2002 - $284,486).

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value using the first-in, first-out method.

g) Prepaid expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed services
Volunteers contribute a considerable number of hours per year to various schools that are within the Jurisdiction to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial instruments
The Jurisdiction, as part of its operations, carries a number of financial instruments. It is management's opinion that the Jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Jurisdiction has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the *Trustees' Act*.

j) Operating and capital reserves
Reserves are established at the discretion of the Board of Trustees of the Jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee future benefits
The Jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the Jurisdiction at this time.

3) COLLECTIVE AGREEMENTS

The collective agreements between the Jurisdiction and the Alberta Teachers' Association, the Canadian Union of Public Employees Local 1184, and the Canadian Union of Public Employees Local 2347 have expired as at August 31, 2003.

4) ACCOUNTS RECEIVABLE

ITEM	2003	2002
Province of Alberta	$1,503,517	$935,043
Federal Government	383,954	598,580
Alberta Municipalities	12,103	480,434
Other	256,914	355,462
Total	$2,156,488	$2,369,519

5) BANK INDEBTEDNESS

The Jurisdiction has negotiated a line of credit in the amount of $3,500,000 that bears interest at the bank prime rate less .25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the Jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003 (2002 - $nil)

6) INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

Operating Reserves	2002	Appropriated	Used	2003
School	$174,342	$244,313	$174,342	$244,313
Operations and Maintenance				
Board and System Admin				
Transportation				
External Services				
Total	**$174,342**	**$244,313**	**$174,342**	**$244,313**
Capital Reserves	**2002**	**Appropriated**	**Used**	**2003**
Land – Supported				
Land – Unsupported				
Building – Supported	46,688			46,688
Building – Unsupported				
Equipment	22,750			22,750
Vehicles				
Total	**$69,438**			**$69,438**

7) CAPITAL ASSETS

Asset	Cost	Accumulated Amortization	Net Book Value	
			2003	2002
Land	$677,202	0	$677,202	$677,202
Buildings	65,580,739	25,748,791	39,831,948	36,945,281
Vehicles	3,354,311	2,193,572	1,160,739	1,263,423
Equipment	2,685,687	1,010,887	1,674,800	1,683,867
Total	**$72,297,939**	**$28,953,250**	**$43,344,689**	**$40,569,773**

8) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Province of Alberta	$240,135	$277,786
Other trade payables and accrued liabilities	1,292,617	3,322,327
Total	**$1,532,752**	**$3,600,113**

9) DEFERRED REVENUE

ITEM	2002	2003
Building Quality Restoration Program (BQRP)	$222,989	$737,936
Alberta Learning		159,017
Alberta Initiative for School Improvement (AISI)	194,535	172,586
Other	38,635	3,477
Total	**$456,159**	**$1,073,016**

10) ALLOCATIONS FROM PROVINCE OF ALBERTA (RELATED THIRD PARTY TRANSACTIONS)

	2003 ACTUAL	2003 BUDGET	2002 ACTUAL
Alberta Learning	$38,696,722	$38,026,441	$39,062,471
Alberta Infrastructure	4,222,254	4,082,175	1,934,075
Alberta Finance	623,537	900,000	722,749
Other Government of Alberta	205,182	124,700	282,057
Total	**$43,747,695**	**$43,133,316**	**$42,001,352**

11) OTHER GOVERNMENT OF ALBERTA REVENUE

ITEM	2003	2002
Human Resources Funding	$47,785	$49,500
Special Project Funding		45,000
Energy Rebate Funding		51,557
Family Services	150,805	136,000
STEP	6,592	
Total	**$205,182**	**$282,057**

12) OTHER INCOME

	2003 ACTUAL	2003 BUDGET	2002 ACTUAL
Rentals of facilities	$73,423	$72,000	$74,990
Gains on disposal of capital assets	0		3,696
Gifts and donations	966		2,875
Total	**$74,389**	**$72,000**	**$81,561**

13) TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the Jurisdiction for the following areas:

ITEM	2003	2002
Project Hope Trust	$17,662	$16,704
Project Hope Bolinger	5,751	3,246
H.A. Brown Scholarship	5,741	5,295
McElroy Trust	3,011	3,201
Tro-Hills	4,944	4,885
Dougan Scholarship	1,151	872
Thompson Scholarship	87,895	91,445
Snyder Memorial Scholarship	4,960	4,826
Tullikopf Scholarship	1,653	1,707
Acme ECS	5,894	5,733
Carbon ECS	4,058	3,948
Carseland ECS	3,310	3,220
Gleichen ECS	7,690	7,481
Hussar ECS	21,616	21,028
Rockyford ECS	7,696	7,699
Standard ECS	11,575	11,260
Strathmore ECS	1,397	1,359
Student Health Initiative Program (SHIP)	186,141	189,182
Total	**$382,145**	**$383,091**

14) LONG TERM DEBT

a) Debenture Debt – Supported and Unsupported

The Jurisdiction has issued debentures to the Alberta Municipal Finance Corporation to finance construction of school buildings and the purchase of the administration building. The debt maturity dates range from 2003 to 2025 and bear annual interest at rates from 6.25% to 13.375%.

	2003	2002
Supported debenture debt	$6,009,166	$6,983,247
Unsupported debenture debt	1,056,000	1,104,000
	$7,065,166	$8,087,247
Less current portion due on debenture debt	1,010,081	1,022,081
	$6,055,085	$7,065,166

Principal payments required in the next five fiscal years are as follows:

2004	1,010,081
2005	886,874
2006	718,470
2007	621,627
2008	593,425

b) Capital Leases – Unsupported

The obligations under capital leases, which mature at various terms to September, 2005, represent the total present value of future minimum lease payments based on financing contracts with the Bank of Nova Scotia and AT&T Capital Canada Inc. which very in rates from 7.96% to 11.31%. These leases arise to facilitate the financing of the Light Switch programs at the various schools within the Jurisdiction.

The following is a schedule by years of the future minimum lease payments together with the balance of the obligation under capital leases as at August 31, 2003:

	2003		2002
2004	$59,282	2003	$76,700
2005	3,856	2004	59,282
		2005	3,856
Total minimum lease payments	$63,138		$139,838
Less amount representing interest	2,374		9,834
	$60,764		$130,004
Less current portion due on leases	56,952		74,326
Long term portion of capital leases	$3,812		$55,678

15) DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying projects initiated by the Jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations account are as follows:

	2003	2002
Balance, beginning of year	$3,840,431	$1,483,655
Allocations received and receivable during the year	1,429,673	7,331,724
Transfers to unamortized capital allocations (note 16)	4,785,121	4,974,948
Balance, end of year	**$484,983**	**$3,840,431**

16) UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the Jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2003	2002
Balance, beginning of year	$29,028,201	$24,857,976
Donated capital items		
Additions: supported debenture principal repayments	974,081	1,010,393
Transfer from deferred capital allocations (note 15)	4,785,121	4,974,949
Deductions: capital allocation revenue	2,075,628	1,815,117
Balance, end of year	**$32,711,775**	**$29,028,201**

17) SCHOOL GENERATED FUNDS

	2003	2002
Balance, beginning of year	$573,248	$828,232
Source of School Generated Funds (SGF):		
SGF for the year	2,792,861	1,800,490
Less: costs of generating SGF	503,530	686,266
Donations received	95,317	70,641
Net SGF available for the year	**$2,957,896**	**2,013,097**
Application of net SGF		
Less: net SGF expended in the year	2,284,986	1,439,849
Balance, end of year	**$672,910**	**$573,248**

18) CONTINGENCY

Contingent Asset

The Jurisdiction is a member of a reciprocal insurance exchange called Alberta School Boards' Insurance Exchange(ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the Jurisdiction can liquidate.

19) COMMITMENTS

a) Building Projects

The Jurisdiction has committed to further capital expenditures for the modernization of Three Hills School of approximately $94,000 and the addition of portable units at Linden and Carbon Schools of approximately $206,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

20) BUDGET AMOUNTS

The budget was prepared by the Jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

21) COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

22) FUNDS UNDER ADMINISTRATION

The Jurisdiction acts as administrator for numerous trust accounts and projects. These assets are owned by the various organizations and the school division simply provides administration services to some of the projects. As a result, these assets and liabilities are not recorded in these financial statements. The Jurisdiction is a member of the South Central Alberta Resource Centre (SCARC) organization to which services are provided.

School Jurisdiction Code: 2155

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$30,971,095	$1,284,674	$29,686,421						
(2) Support block	$5,092,527				$3,581,269			$1,511,258	
(3) Instruction & support block reallocations	$0	($33,781)	($109,026)		$0			$0	$142,807
(4) Alberta Initiative for School Improvement (AISI)	$774,835		$774,835						
(5) Student Health Initiative (SHI)	$459,265		$459,265						
(6) Supernet Access	$0								
(7) Teacher Salary Enhancement (TSE)	$1,399,000	$39,871	$1,337,724					$19,726	$1,679
(8) Regional P.D. Consortium (6 boards only)	$0								
(9) Regional Assessment Services (4 boards only)	$0								
(10) Other Alberta Learning revenues	$0								
(11) **Total Alberta Learning Revenue**	$38,696,722	$1,290,764	$32,149,219	$0	$3,581,269			$1,530,984	$144,486
Alberta Infrastructure									
(12) Expensed Block Mod. Block BQRP support	$146,778			$146,778					
(13) Operations & Maintenance support	$3,727,751			$3,727,751					
(14) Operations & Maintenance support (One-Time)	$347,725			$347,725					
(15) **Total Alberta Infrastructure Revenue**	$4,222,254	$0	$0	$4,222,254					
(16) **Alberta Finance**	$623,537			$623,537					
(17) **Other - Government of Alberta**	$205,182		$70,088	$6,593					$128,501
(18) **Federal Government and/or First Nations**	$1,642,363	$16,641	$1,429,507	$133,257				$62,958	
(19) **Other Alberta school authorities**	$13,621		$13,621						
(20) **Out of province authorities**	$0								
(21) **Alberta municipalities (excl. supplementary requisitions)**	$45,267								$45,267
(22) **Instruction resource fees**	$530,568	$13,485	$517,083						
(23) **Transportation fees**	$0								
(24) **Other sales and services**	$412,275	$3,500	$246,432	$2,811	$10,287			$8,612	$140,633
(25) **Investment income**	$98,141		$57,250	$16,232	$15,045			$9,614	
(26) **Gifts and donations**	$966		$966						
(27) **Rentals of facilities**	$73,423			$22,743				$50,680	
(28) **Net school generated funds**	$2,284,986		$2,284,986						
(29) **Gains on disposal of capital assets**	$0								
(30) **Amortization of capital allocations**	$2,075,628		$133,554	$1,942,074					
(31) **TOTAL REVENUES**	$50,924,933	$1,324,390	$36,902,706	$6,969,501	$3,606,601			$1,662,848	$458,887
EXPENSES									
(32) **Certificated salaries**	$24,522,567	$698,689	$23,469,875				$324,035	$324,035	$29,968
(33) **Certificated benefits**	$2,768,277	$100,671	$2,611,546				$23,395	$23,395	$32,665
(34) **Uncertificated salaries and wages**	$8,289,829	$358,492	$4,439,626	$1,904,725	$707,989	$65,570	$565,619	$631,189	$247,808
(35) **Uncertificated benefits**	$1,833,678	$83,539	$1,060,474	$429,278	$82,286	$15,774	$101,860	$117,634	$60,467
(36) **SUB - TOTAL**	$37,414,351	$1,241,391	$31,581,521	$2,334,003	$790,275	$81,344	$1,014,909	$1,096,253	$370,908
(37) **Services, contracts & supplies**	$8,007,505	$82,999	$2,811,688	$2,431,074	$2,203,950	$48,842	$340,964	$389,806	$87,979
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$0	$0				$0	
(39) **Net school generated funds**	$2,284,986		$2,284,986						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,075,628		$133,554	$1,942,074				$0	
(41) Unsupported	$443,801		$91,805	$31,332	$231,168		$89,496	$89,496	
(42) Total Amortization	$2,519,429	$0	$225,359	$1,973,406	$231,168	$0	$89,496	$89,496	$0
Interest on capital debt									
(43) Supported	$623,537		$0	$623,537				$0	
(44) Unsupported	$68,750		$0	$0			$68,750	$68,750	
(45) Other interest charges	$827		$539	$131	$56		$101	$101	
(46) Losses on disposal of capital assets	$0		$0	$0				$0	
(47) **TOTAL EXPENSES**	$50,919,385	$1,324,390	$36,904,093	$7,362,151	$3,225,450	$130,186	$1,514,220	$1,644,406	$458,887
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$5,548	$0	($1,387)	($392,650)	$381,143			$18,442	$0
Applicable student numbers/FTE equivalent	6,178.0	408	5,974.0	6,178.0	3,667			6,178.0	
AVERAGE PROGRAM COSTS per student	$8,242	$3,246	$6,177	$1,192	$880			$266	

School Jurisdiction Code: 2155

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$19,393,084	$1,755,335	$217,011	$59,599	$1,574,580	$354,246	$116,020	$23,469,875
Certificated benefits	$2,180,466	$187,372	$25,031	$6,567	$157,458	$45,402	$9,250	$2,611,546
Uncertificated salaries and wages	$918,784	$1,153,477	$269,172	$224,924	$1,442,931	$234,181	$196,157	$4,439,626
Uncertificated benefits	$297,257	$278,206	$42,554	$58,970	$288,586	$53,760	$41,141	$1,060,474
SUB - TOTAL REMUNERATION	$22,789,591	$3,374,390	$553,768	$350,060	$3,463,555	$687,589	$362,568	$31,581,521
Services, contracts & supplies	$2,062,528	$458,325	$94,732	$2,000	$10,660	$86,746	$96,697	$2,811,688
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$2,284,986							$2,284,986
Amortization of capital assets								
Supported	$133,554	$0	$0					$133,554
Unsupported	$91,805	$0	$0					$91,805
Total Amortization	$225,359	$0	$0					$225,359
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$539	$0						$539
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$27,363,003	$3,832,715	$648,500	$352,060	$3,474,215	$774,335	$459,265	$36,904,093
FTE Certificated				24.2	1.0			
FTE Uncertificated				9.1	69.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$26,213,540	$2,571,824	$4,236,404	($109,026)	$32,912,742	$27,019,883	$5,892,859
School Admin & Instruction Support Expenses						$3,832,715	($3,832,715)
System Instruction Support Expenses						$648,500	($648,500)
Total Basic Instruction	$26,213,540	$2,571,824	$4,236,404	($109,026)	$32,912,742	$31,501,098	$1,411,644
Sub-Programs & Initiatives							
Severely Disabled	$1,686,432		$0		$1,686,432	$3,474,215	($1,787,783)
English as a Second Language	$236,036				$236,036	$236,036	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$52,149		$0		$52,149	$121,216	($69,067)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$667,946				$667,946		$667,946
Growth & Density	$158,221				$158,221		$158,221
Teacher Assistants Program	$116,161				$116,161	$116,161	$0
Early Literacy Initiative (K-2)	$206,047				$206,047	$207,436	($1,389)
Learning Resources Credit & Resources for the Classroom	$84,221	$0	$517,083		$601,304	$988,370	($387,066)
Technology Integration	$259,505		$0		$259,505	$253,398	$6,107
French Language Program & Francisation (all jurisdictions)	$6,163		$0		$6,163	$6,163	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$3,472,881		$517,083		$3,989,964	$5,402,995	($1,413,031)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$29,686,421	$2,571,824	$4,753,487	($109,026)	$36,902,706	$36,904,093	($1,387)

School Jurisdiction Code: 2155

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,284,674	$29,686,421		$3,581,269	$1,511,258	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		($142,807)				$142,807
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$30,971,095* | = | *$619,422* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($33,781)	$33,781				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($33,781)	($109,026)		$0	$0	$142,807

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2155

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$30,711,590
Support Block - Transportation	$3,581,269
SUBTOTAL	$34,292,859

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,727,751
Teacher Salary Enhancement	$1,399,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$205,182
Federal government/First Nations	$1,642,363
Other Alberta school authorities	$13,621
Out of province local authorities	$0
Alberta municipalities	$45,267
Other sales and services	$412,275
Interest on investments	$98,141
Rentals of facilities	$73,423
Gains on disposal of capital assets	$0
Amortization of capital allocations	$2,075,628
School generated funds (Schedule E)	$2,792,861
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$46,778,371**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,871,135

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,871,135**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,644,406
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,644,406
Maximum Expense Limit for Board & System Administration (Step 3)	$1,871,135
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$226,729

School Jurisdiction Code: 2155

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1Restated		$573,248
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,792,861	
Less: SGF - related cost recoveries (Note 3)	$503,530	
- capitalized at the District level (Note 4)	$0	
Net Total	$2,289,331	
Plus: Donations Received (Note 5)	$95,317	
Equals: Net Additions to SGF		$2,384,648
Net SGF Available for discretionary spending		$2,957,896
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$2,284,986
Unexpended SGF - Closing Balance August 31, 2003		$672,910

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2155

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,274,183	$457,010	$0	$6,944	$166,588	$1,904,725		$1,904,725
Uncertificated benefits	$305,537	$90,482	$0	$393	$32,866	$429,278		$429,278
Sub-total Remuneration	$1,579,720	$547,492	$0	$7,337	$199,454	$2,334,003		$2,334,003
Contracted Services	$149,226	$409,239	$0	$139,441	$6,127	$704,033		$704,033
Supplies	$0	$0	$0	$0	$0	$0		$0
Electricity			$701,450			$701,450		$701,450
Natural Gas/Heating Fuel			$679,495			$679,495		$679,495
Sewer and Water			$171,885			$171,885		$171,885
Telecommunications			$69,926			$69,926		$69,926
Insurance					$104,285	$104,285		$104,285
Amortization of capital assets								
Supported							$1,942,074	$1,942,074
Unsupported						$31,332		$31,332
Total Amortization						$31,332	$1,942,074	$1,973,406
Interest on capital debt								
Supported							$623,537	$623,537
Unsupported						$0		$0
Other interest charges						$131		$131
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,728,946	$956,731	$1,622,756	$146,778	$309,866	$4,796,540	$2,565,611	$7,362,151
SQUARE METRES								
School Buildings								77,937.4
Non School Buildings								2,196.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2155

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Arthur Eeles	1.0	$5,815	$1,002	$0	$0	$0	$6,817	$2,017
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Ben Armstrong	1.0	$6,264	$72	$0	$0	$0	$6,336	$4,443
Name	Janet Bolinger	1.0	$6,413	$1,093	$0	$0	$0	$7,506	$1,492
Name	Wilfred Golbeck	1.0	$5,841	$1,034	$0	$0	$0	$6,875	$4,079
Name	Karen Harries	1.0	$10,538	$1,751	$0	$0	$0	$12,289	$6,761
Name	Herbert Heidebrecht	1.0	$7,946	$3,655	$0	$0	$0	$11,601	$4,206
Name	M. Christena Howard	1.0	$7,591	$1,115	$0	$0	$0	$8,706	$1,349
Name	Larry Meerz	1.0	$7,314	$3,281	$0	$0	$0	$10,595	$4,121
Name	Kathleen T. Smith	1.0	$7,848	$2,771	$0	$0	$0	$10,619	$5,004
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$65,570*	*$15,774*	*$0*	*$0*	*$0*	*$81,344*	*$33,472*
Superintendent	Dr. Garry McKinnon	1.0	$126,730	$8,379	$0	$0	$60,319	$195,428	$0
Superintendent	*Dianne McBeth*	1.0	$9,875	$1,291	$0	$0	$0	$11,166	$0
Secretary/Treasurer	Vincent Gaudet	1.0	$94,730	$14,677	$0	$0	$0	$109,407	$1,491
Secretary/Treasurer	Wayne Braun	0.0	$0	$0	$0	$0	$64,771	$64,771	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		374.1	$23,766,815	$2,758,607	$0	$0	$558,828	$27,084,250	
Uncertificated Salaries & Wages		383.0	$7,961,873	$1,803,227	$0	$0	$102,885	$9,867,985	
TOTALS			**$32,025,593**	**$4,601,955**	**$0**	**$0**	**$766,803**	**$37,414,351**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2155

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 4130

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grande Prairie Roman Catholic Separate School District No. 28
Name of School Jurisdiction

9902-101 Street Grande Prairie Alberta T8V 2P4
Mailing Address

Telephone 780-532-3013 and Fax Number 780-532-3430
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Grande Prairie Roman Catholic Separate School District No. 28 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Morag Mochan	"Original Signed By"
Name	Signature

SUPERINTENDENT

Bryn Kulmatycki	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Grant Burge	"Original Signed By"
Name	Signature

24-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING**, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4130

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FLETCHER MUDRYK & CO. LLP
CHARTERED ACCOUNTANTS

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9835 101 Avenue
Grande Prairie, Alberta
T8V 5V4

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Email info@fletchermudryk.com

AUDITOR'S REPORT

To the Board of Trustees
Grande Prairie Roman Catholic Separate School District No. 28

We have audited the statement of financial position of the **Grande Prairie Roman Catholic Separate School District No. 28** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grande Prairie, Alberta
October 8, 2003

Fletcher, Mudryk & Co.
Chartered Accountants

School Jurisdiction Code: 4130

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,433,765	$2,231,982
Accounts receivable (net after allowances)		$1,636,423	$1,931,222
Prepaid expenses		$190,758	$139,913
Other current assets		$82,973	$59,026
Total current assets		$3,343,919	$4,362,143
School generated assets		$299,988	$290,031
Trust assets		$56,717	$74,400
Long term accounts receivable		$1,150,945	$1,088,829
Capital assets			
Land		$180,400	$180,400
Buildings	$45,345,988		
Less: accumulated amortization	($13,925,686)	$31,420,302	$31,964,319
Equipment	$187,017		
Less: accumulated amortization	($90,127)	$96,890	$72,251
Vehicles	$79,727		
Less: accumulated amortization	($20,873)	$58,854	$66,827
Total capital assets		$31,756,446	$32,283,797
TOTAL ASSETS		$36,608,015	$38,099,200
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,063,062	$1,995,676
Deferred revenue		$271,650	$641,667
Deferred capital allocations		$1,646,232	$2,259,195
Current portion of all long term debt		$907,838	$940,438
Total current liabilities		$4,888,782	$5,836,976
School generated liabilities		$299,988	$290,031
Trust liabilities		$56,717	$74,400
Employee future benefits liability		$0	$0
Long term debt			
Supported:	**Debentures and other supported debt**	$7,773,303	$8,713,741
	Less: Current portion of supported debt	($907,838)	($940,438)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$22,860,447	$22,496,332
Total long term liabilities		$30,082,617	$30,634,066
TOTAL LIABILITIES		$34,971,399	$36,471,042
NET ASSETS			
Unrestricted net assets		($0)	$0
Operating Reserves		$32,258	$32,258
Accumulated Operating Surplus (Deficit)		$32,258	$32,258
Investment in capital assets		$1,122,692	$1,073,720
Capital Reserves		$481,666	$522,180
Total Capital Funds		$1,604,358	$1,595,900
Total net assets		$1,636,616	$1,628,158
TOTAL LIABILITIES AND NET ASSETS		$36,608,015	$38,099,200

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4130

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$18,068,232	$18,197,107	$17,755,891
Alberta Infrastructure	$2,449,304	$2,308,660	$1,051,094
Alberta Finance	$857,490	$1,109,607	$957,249
Other Government of Alberta	$97,977	$84,202	$157,253
Federal Government and/or First Nations	$15,806	$13,260	$0
Other Alberta school authorities	$4,322	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$117,410	$119,093	$107,197
Transportation fees	$1,200	$0	$1,600
Other sales and services	$42,948	$0	$42,861
Investment income	$60,856	$12,250	$58,092
Gifts and donations	$0	$0	$40,000
Rentals of facilities	$31,565	$34,000	$31,291
Net school generated funds	$9,953	$325,000	$13,573
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,276,552	$998,816	$1,209,340
Total Revenues	$23,053,616	$23,201,995	$21,425,441
EXPENSES			
Certificated salaries	$11,156,347	$11,540,724	$10,303,514
Certificated benefits	$1,549,306	$1,545,647	$1,428,062
Uncertificated salaries and wages	$3,281,031	$3,075,217	$3,123,529
Uncertificated benefits	$729,762	$606,936	$624,970
Services, contracts and supplies	$4,181,896	$4,000,048	$3,885,034
Net school generated funds	$9,953	$325,000	$13,573
Capital and debt services			
Amortization of capital assets			
Supported	$1,276,552	$998,816	$1,209,340
Unsupported	$58,785	$0	$51,474
Total Amortization of capital assets	$1,335,337	$998,816	$1,260,814
Interest on capital debt			
Supported	$857,490	$1,109,607	$957,249
Unsupported	$0	$0	$0
Total Interest on capital debt	$857,490	$1,109,607	$957,249
Other interest charges	$89	$0	$197
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$23,101,211	$23,201,995	$21,596,942
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($47,594)	$0	($171,501)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$56,052	$0	$646,964
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$8,458	$0	$475,463

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4130

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$8,458	$475,463
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,276,552)	($1,209,340)
Total amortization expense	$1,335,337	$1,260,814
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$232,683	($1,646,011)
Prepaids and other current assets	($74,792)	($67,827)
Payables and accrued liabilities	$67,386	($1,620,969)
Deferred revenue	($370,017)	($482,474)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($77,497)	($3,290,344)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($756,281)	($2,191,032)
Equipment	($51,705)	($18,168)
Vehicles	$0	($36,732)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($807,986)	($2,245,932)
C. FINANCING ACTIVITIES		
Capital allocations received	$87,266	$3,171,214
Issue of long term debt	$0	$0
Repayment of long term debt	($940,438)	($960,053)
Add back: supported portion	$940,438	$960,053
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$87,266	$3,171,214
Net sources (uses) of cash equivalents* during year	($798,217)	($2,365,062)
Cash Equivalents at the beginning of the year	$2,231,982	$4,597,044
Cash Equivalents at the end of the year	$1,433,765	$2,231,982

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4130

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$1,628,158	$1,073,720	$0	$554,438	$24,266	$0	$0	$0	$445,292	$7,992	$76,888	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$1,628,158	$1,073,720	$0	$554,438	$24,266	$0	$0	$0	$445,292	$7,992	$76,888	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$8,458		$8,458												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$56,052	($56,052)												
Board funded capital transactions		$51,705	$0	($51,705)	$0	$0	$0		($51,705)	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,335,337)	$1,335,337												
Amortization of capital allocations		$1,276,552	($1,276,552)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			($11,191)	$11,191		$0			($12,555)		$23,746		$0		$0
Net transfers from capital reserves			$0	$0		$0					$0		$0		$0
Balance at August 31, 2003	$1,636,616	$1,122,692	($0)	$513,924	$24,266	$0	$0	$0	$381,032	$7,992	$100,634	$0	$0	$0	$0

School Jurisdiction Code: 4130

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$2,259,195	$22,496,332
Prior period adjustment	$0	
Adjusted balance, August 31, 2002	$2,259,195	$22,496,332
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$20,276	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources	$0	
Interest earned on provincial government capital allocations	$66,990	
Other capital grants and donations	$0	
Proceeds on disposal of supported capital assets	$0	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$940,438
Expended capital allocations - current year	($700,229)	$700,229
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$0
Capital allocations amortized to revenue		$1,276,552
Balance at August 31, 2003	$1,646,232	$22,860,447

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The significant accounting policies are as follows:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are then amortized to revenue on the same basis as the amortization of the capital asset acquired.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are, accordingly, recorded as prepaid expenses.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets

Capital assets are recorded at cost. Only capital assets with a cost in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset. Rates of amortization applied on a straight-line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	2.5% to 10%	(10 years to 40 years)
Equipment	10% to 20%	(5 years to 10 years)
Vehicles	10% to 20%	(5 years to 10 years)

No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. No amortization is recorded in the year of disposition.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pension Obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Prairie Roman Catholic Separate School Division No. 28 does not make pension contributions for certificated staff.

SIGNIFICANT ACCOUNTING POLICIES - continued

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $136,728 (2002 - $116,250) for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $445 million.

Operating and Capital Reserves

Reserves are established, at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

3. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 589,274	$ 717,265
Federal Government	63,867	17,959
Alberta Municipalities	603,647	752,004
Other Alberta School Jurisdictions	310,501	340,139
Other	69,134	103,855
	$ 1,636,423	$ 1,931,222

4. ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$ 904,142	$ 456,849
Other Trade Payables and Accrued Liabilities	1,158,920	1,538,827
	$ 2,063,062	$ 1,995,676

5. DEFERRED REVENUE

	2003	2002
1999 One Time Grant	$ -	$ 29,345
2002 – 2003 One Time Equivalent to 3% increase in grants	-	38,707
Block BQRP funding	-	304,814
Other	271,650	268,811
	$ 271,650	$ 641,677

6. LONG-TERM DEBT

	2003	2002
Debentures - supported	$ 7,773,303	$ 8,713,741
Less current portion	(907,838)	(940,438)
	$ 6,865,465	$ 7,773,303

6. LONG-TERM DEBT - continued

The debentures are issued to the Alberta Municipal Financing Corporation to finance construction of school buildings, bear interest at rates ranging from 8.125% to 12.0% per annum and mature in 2004 through 2016.

Principal repayments required to maturity are as follows:

	Principal	Interest	Total
2004	$ 907,838	$ 807,228	$ 1,715,066
2005	901,237	710,895	1,612,132
2006	890,838	615,256	1,506,094
2007	890,837	520,709	1,411,546
2008	849,209	426,161	1,275,370
2008 to maturity	3,333,344	1,051,374	4,384,718

7. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	August 31, 2002	Appropriated	Utilized	August 31, 2003
Operating Reserves				
School-based	$ 24,266	$ -	$ -	$ 24,266
Board and system administration	7,992	-	-	7,992
	32,258	-	-	32,258
Capital Reserves				
Land	12,170	-	-	12,170
Buildings	76,888	23,746	-	100,634
Equipment	373,403	-	65,252	308,151
Vehicles	59,719	992	-	60,711
	522,180	24,738	65,252	481,666
	$ 554,438	$ 24,738	$ 65,252	$ 513,924

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations account are as follows:

Balance – beginning of year	$ 2,259,195	$ 626,494
Allocations received and receivable during year	87,266	3,171,214
Transfers to unamortized capital allocations (note 9)	(700,229)	(1,538,513)
Balance – end of year	$ 1,646,232	$ 2,259,195

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

Balance – beginning of year	$ 22,496,332	$ 21,252,356
Supported debenture principal repayments	940,438	960,053
Transfers from deferred capital allocations (note 8)	700,229	1,538,513
Less: Capital allocation revenue	(1,276,552)	(1,209,340)
Transfer of supported capital	-	(45,250)
Balance – end of year	$ 22,860,447	$ 22,496,332

10. ECONOMIC DEPENDENCE

The District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

GRANDE PRAIRIE ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 28
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. COMPARATIVE FIGURES

The budget 2003 and actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 4130

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$15,329,437	$947,864	$14,381,573						
(2) Support block	$1,535,422				$538,278			$997,144	
(3) Instruction & support block reallocations	$0	($89,015)	$89,015		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$382,735	$0	$382,735						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$12,288		$12,288					$0	
(7) Teacher Salary Enhancement (TSE)	$676,000		$676,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$152,350	$912	$70,337	$81,101	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$18,088,232	$859,761	$15,611,948	$81,101	$538,278			$997,144	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$304,814	$0	$0	$304,814					
(13) Operations & Maintenance support	$1,967,741			$1,967,741					
(14) Operations & Maintenance support (One-Time)	$176,749			$176,749					
(15) **Total Alberta Infrastructure Revenue**	$2,449,304	$0	$0	$2,449,304					
(16) **Alberta Finance**	$857,490			$857,490	$0			$0	$0
(17) **Other - Government of Alberta**	$97,977	$0	$7,333	$0	$0			$0	$90,644
(18) **Federal Government and/or First Nations**	$15,806		$15,806	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$4,322		$4,322	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$117,410	$9,917	$107,493						
(23) **Transportation fees**	$1,200				$1,200				
(24) **Other sales and services**	$42,948	$0	$37,989	$0	$0			$4,959	$0
(25) **Investment income**	$60,856		$45,642	$9,128	$0			$6,086	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$31,565		$13,870	$0	$0			$17,695	$0
(28) **Net school generated funds**	$9,953		$9,953					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,276,552		$0	$1,276,552	$0				$0
(31) **TOTAL REVENUES**	$23,053,616	$869,678	$15,854,356	$4,673,576	$539,478			$1,025,884	$90,644
EXPENSES									
(32) **Certificated salaries**	$11,156,347	$456,017	$10,539,558				$160,772	$160,772	$0
(33) **Certificated benefits**	$1,549,306	$69,181	$1,434,568				$45,557	$45,557	$0
(34) **Uncertificated salaries and wages**	$3,281,031	$222,972	$1,721,319	$933,511	$14,157	$98,749	$290,323	$389,072	$0
(35) **Uncertificated benefits**	$729,762	$45,007	$388,555	$199,293	$3,720	$20,461	$72,726	$93,187	$0
(36) **SUB - TOTAL**	$16,716,446	$793,177	$14,084,000	$1,132,804	$17,877	$119,210	$569,378	$688,588	$0
(37) **Services, contracts & supplies**	$4,181,896	$76,501	$1,677,614	$1,570,797	$448,277	$30,698	$287,365	$318,063	$90,644
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$105,334	($105,334)				$0	$0
(39) **Net school generated funds**	$9,953		$9,953						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,276,552	$0	$0	$1,276,552	$0		$0	$0	$0
(41) Unsupported	$58,785	$0	$35,039	$0	$0	$0	$23,746	$23,746	$0
(42) Total Amortization	$1,335,337	$0	$35,039	$1,276,552	$0	$0	$23,746	$23,746	$0
Interest on capital debt									
(43) Supported	$857,490	$0	$0	$857,490	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$89	$0	$89	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$23,101,211	$869,678	$15,912,029	$4,732,309	$466,154	$149,908	$880,489	$1,030,397	$90,644
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($47,594)	($0)	($57,673)	($58,733)	$73,324			($4,513)	$0
Applicable student numbers/FTE equivalent	3,063.5	287	2,920.0	3,061.5	971			3,063.5	
AVERAGE PROGRAM COSTS per student	$7,541	$3,030	$5,449	$1,546	$480			$336	

School Jurisdiction Code: 4130

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$8,884,295	$913,109	$119,138	$291,800	$39,625	$291,591	$0	$10,539,558
Certificated benefits	$1,247,871	$90,151	$17,566	$42,879	$6,614	$29,487	$0	$1,434,568
Uncertificated salaries and wages	$285,986	$794,432	$45,050	$230,190	$365,661	$0	$0	$1,721,319
Uncertificated benefits	$68,900	$172,024	$10,951	$55,526	$81,154		$0	$388,555
SUB - TOTAL REMUNERATION	$10,487,052	$1,969,716	$192,705	$620,395	$493,054	$321,078	$0	$14,084,000
Services, contracts & supplies	$1,380,086	$76,108	$24,243	$55,706	$80,587	$60,884	$0	$1,677,614
Cost recoveries & transfers	$105,334		$0			$0	$0	$105,334
Net school generated funds	$9,953							$9,953
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$35,039	$0	$0					$35,039
Total Amortization	$35,039	$0	$0					$35,039
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$89	$0						$89
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$12,017,553	$2,045,824	$216,948	$676,101	$573,641	$381,962	$0	$15,912,029
FTE Certificated				4.5	0.6			
FTE Uncertificated				11.5	18.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$12,609,527	$1,103,662	$134,915	$89,015	$13,937,118	$12,158,135	$1,778,983
School Admin & Instruction Support Expenses						$2,045,824	($2,045,824)
System Instruction Support Expenses						$216,948	($216,948)
Total Basic Instruction	$12,609,527	$1,103,662	$134,915	$89,015	$13,937,118	$14,420,907	($483,789)
Sub-Programs & Initiatives							
Severely Disabled	$542,051		$0		$542,051	$573,641	($31,590)
English as a Second Language	$40,995				$40,995	$41,000	($5)
Enhanced Opportunities	$20,000				$20,000	$20,000	$0
First Nations, Metis, and Inuit Education	$182,657		$0		$182,657	$189,823	($7,166)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$572,324				$572,324		$572,324
Growth & Density	$996				$996		$996
Teacher Assistants Program	$66,224				$66,224	$66,224	$0
Early Literacy Initiative (K-2)	$133,140				$133,140	$136,104	($2,964)
Learning Resources Credit & Resources for the Classroom	$24,148	$37,698	$107,493		$169,339	$169,339	$0
Technology Integration	$125,130		$0		$125,130	$230,610	($105,480)
French Language Program & Francisation (all jurisdictions)	$62,856		$0		$62,856	$62,856	$0
Home Education	$1,525		$0		$1,525	$1,525	$0
Total Sub-Programs & Initiatives	$1,772,046		$107,493		$1,917,237	$1,491,122	$426,115
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$14,381,573	$1,141,360	$242,408	$89,015	$15,854,356	$15,912,029	($57,673)

School Jurisdiction Code: 4130

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$947,864	$14,381,573		$538,278	$997,144	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$15,329,437* = *$306,589* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($89,015)	$89,015				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($89,015)	$89,015		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 4130

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$15,204,307
Support Block - Transportation	$538,278
SUBTOTAL	$15,742,585
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,967,741
Teacher Salary Enhancement	$676,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$97,977
Federal government/First Nations	$15,806
Other Alberta school authorities	$4,322
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$42,948
Interest on investments	$60,856
Rentals of facilities	$31,565
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,276,552
School generated funds (Schedule E)	$1,077,114
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$20,993,468**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.40%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,133,647
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,133,647**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,030,397
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,030,397
Maximum Expense Limit for Board & System Administration (Step 3)	$1,133,647
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$103,250

School Jurisdiction Code: 4130

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$290,031
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,077,114	
Less: SGF - related cost recoveries (Note 3)	$1,124,733	
- capitalized at the District level (Note 4)	$0	
Net Total	($47,619)	
Plus: Donations Received (Note 5)	$67,529	
Equals: Net Additions to SGF		$19,910
Net SGF Available for discretionary spending		$309,941
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$9,953
Unexpended SGF - Closing Balance August 31, 2003		$299,988

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4130

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$794,297	$86,828		$15,015	$37,371	$933,511		$933,511
Uncertificated benefits	$168,785	$17,719		$1,802	$10,987	$199,293		$199,293
Sub-total Remuneration	$963,082	$104,547	$0	$16,817	$48,358	$1,132,804		$1,132,804
Contracted Services	$57,893	$80,592		$292,792	$14,832	$446,109		$446,109
Supplies	$164,082	$111,467		$26,996	$2,169	$304,714		$304,714
Electricity			$440,423			$440,423		$440,423
Natural Gas/Heating Fuel			$264,932			$264,932		$264,932
Sewer and Water			$46,043			$46,043		$46,043
Telecommunications			$1,507			$1,507		$1,507
Insurance					$67,069	$67,069		$67,069
Amortization of capital assets								
Supported							$1,276,552	$1,276,552
Unsupported						$0		$0
Total Amortization						$0	$1,276,552	$1,276,552
Interest on capital debt								
Supported							$857,490	$857,490
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets								$0
Cost recoveries & transfers						($105,334)		($105,334)
TOTAL EXPENSES	$1,185,057	$296,606	$752,905	$336,605	$132,428	$2,598,267	$2,134,042	$4,732,309
SQUARE METRES								
School Buildings								37,516.9
Non School Buildings								929.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenos related to electrictly, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported cap[illegible] assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4130

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Morag Mochan	1.0	$20,625	$1,056	$0	$0	$0	$21,681	$4,379
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Alice Brick	1.0	$15,188	$1,450	$0	$0	$0	$16,638	$4,178
Name	Joe Kramer	1.0	$11,215	$3,856	$3,640	$0	$0	$18,711	$1,046
Name	John Krol	1.0	$12,494	$3,868	$2,853	$0	$0	$19,215	$3,057
Name	Angela Peters	1.0	$13,755	$3,798	$0	$0	$0	$17,553	$4,964
Name	Derek Dyck	1.0	$11,969	$3,713	$0	$0	$0	$15,682	$1,407
Name	Shaun Muldoon	1.0	$13,503	$2,721	$0	$0	$0	$16,224	$5,173
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$98,749*	*$20,462*	*$6,493*	*$0*	*$0*	*$125,704*	*$24,204*
Superintendent	Bym Kulmatycki	1.0	$121,454	$9,248	$2,517	$0	$18,218	$151,437	$5,306
Superintendent		0.0	$0	$0	$0	$0	$0	$0	
Secretary/Treasurer	Grant Burge	1.0	$89,903	$14,777	$0	$0	$13,485	$118,165	$2,555
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		171.5	$11,014,158	$1,540,058	$0	$0	$0	$12,554,216	
Uncertificated Salaries & Wages		98.1	$3,072,400	$694,523	$0	$0	$0	$3,766,923	
TOTALS			**$14,396,664**	**$2,279,068**	**$9,010**	**$0**	**$31,703**	**$16,716,445**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4130

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3240

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grande Prairie Public School District #2357
Name of School Jurisdiction

10213 - 99 Street, Grande Prairie, Ab. T8V 2H3
Mailing Address

Phone (780) 532 - 4491 **Fax (780) 539 - 4265**
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Grande Prairie Public School District #2357 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Clyde Blackburn
Name

"Original Signed By"
Signature

SUPERINTENDENT

Lorne G. Radbourne
Name

"Original Signed By"
Signature

SECRETARY TREASURER OR TREASURER

Robert R. Leech
Name

"Original Signed By"
Signature

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3240

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CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Board of Trustees
Grande Prairie Public School District #2357

We have audited the statement of financial position of the **Grande Prairie Public School District #2357** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Fletcher Mudryk & Co.
Chartered Accountants

Grande Prairie, Alberta
October 31, 2003

School Jurisdiction Code: 3240

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$16,257	$546,586
Accounts receivable (net after allowances)		$4,054,226	$2,854,646
Prepaid expenses		$882,756	$1,151,283
Other current assets		$180,115	$148,440
Total current assets		$5,133,354	$4,700,955
School generated assets		$396,458	$358,650
Trust assets		$272,647	$338,344
Long term accounts receivable		$0	$0
Capital assets			
Land		$431,253	$431,253
Buildings	$72,472,820		
Less: accumulated amortization	($31,006,787)	$41,466,033	$40,861,160
Equipment	$1,352,120		
Less: accumulated amortization	($257,520)	$1,094,600	$1,032,870
Vehicles	$218,052		
Less: accumulated amortization	($135,389)	$82,663	$108,692
Total capital assets		$43,074,549	$42,433,975
TOTAL ASSETS		$48,877,008	$47,831,924
LIABILITIES			
Current liabilities			
Bank indebtedness		$539,856	$0
Accounts payable and accrued liabilities		$3,307,097	$3,002,589
Deferred revenue		$1,481,987	$1,546,104
Deferred capital allocations		$24,995	$514,166
Current portion of all long term debt		$1,451,696	$1,451,696
Total current liabilities		$6,805,631	$6,514,555
School generated liabilities		$396,458	$358,650
Trust liabilities		$272,647	$338,344
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$13,152,171	$14,581,867
Less: Current portion of supported debt		($1,429,696)	($1,429,696)
Unsupported: Debentures and Capital Loans		$93,200	$115,200
Capital Leases		$0	
Mortgages		$0	$0
Less: Current portion of unsupported debt		($22,000)	($22,000)
Unamortized capital allocations		$27,861,391	$25,639,756
Total long term liabilities		$40,324,171	$39,582,121
TOTAL LIABILITIES		$47,129,802	$46,096,676
NET ASSETS			
Unrestricted net assets		($310,090)	($451,413)
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		($310,090)	($451,413)
Investment in capital assets		$1,967,788	$2,097,153
Capital Reserves		$89,508	$89,508
Total Capital Funds		$2,057,296	$2,186,661
Total net assets		$1,747,206	$1,735,248
TOTAL LIABILITIES AND NET ASSETS		$48,877,008	$47,831,924

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3240

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$33,274,677	$32,702,044	$32,367,828
Alberta Infrastructure	$4,389,301	$3,638,253	$1,600,805
Alberta Finance	$1,372,850	$1,592,000	$1,522,786
Other Government of Alberta	$268,262	$174,116	$297,035
Federal Government and/or First Nations	$209,400	$0	$1,184
Other Alberta school authorities	$466,927	$336,838	$401,369
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$376,338	$269,960	$298,878
Transportation fees	$0	$0	$0
Other sales and services	$446,508	$80,010	$448,396
Investment income	$30,757	$35,000	$53,773
Gifts and donations	$145,010	$16,000	$15,989
Rentals of facilities	$83,624	$50,000	$13,903
Net school generated funds	$493,107	$775,000	$623,778
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,072,534	$2,090,000	$2,089,742
Total Revenues	$43,629,295	$41,759,221	$39,735,466
EXPENSES			
Certificated salaries	$21,592,212	$20,780,000	$19,202,609
Certificated benefits	$2,941,156	$3,013,000	$2,710,583
Uncertificated salaries and wages	$6,409,545	$6,008,000	$6,068,915
Uncertificated benefits	$1,654,175	$1,472,000	$1,502,920
Services, contracts and supplies	$6,898,120	$5,933,519	$6,311,471
Net school generated funds	$493,107	$775,000	$623,778
Capital and debt services			
Amortization of capital assets			
Supported	$2,072,534	$2,090,000	$2,089,742
Unsupported	$151,365	$223,810	$157,195
Total Amortization of capital assets	$2,223,899	$2,313,810	$2,246,937
Interest on capital debt			
Supported	$1,372,843	$1,592,000	$1,521,414
Unsupported	$12,027	$20,000	$23,644
Total interest on capital debt	$1,384,870	$1,612,000	$1,545,058
Other interest charges	$20,253	$16,500	$1,263
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$43,617,337	$41,923,829	$40,213,534
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$11,958	($164,608)	($478,068)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$11,958	($164,608)	($478,068)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3240

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$11,958	($478,068)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,072,534)	($2,089,742)
Total amortization expense	$2,223,899	$2,246,937
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,199,580)	$836,943
Prepaids and other current assets	$236,852	($583,553)
Payables and accrued liabilities	$304,508	$176,119
Deferred revenue	($64,117)	$422,121
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($559,014)	$530,757
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,682,602)	($2,357,227)
Equipment	($181,871)	($213,483)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,864,473)	($2,570,710)
C. FINANCING ACTIVITIES		
Capital allocations received	$2,375,302	$2,301,488
Issue of long term debt	$0	$0
Repayment of long term debt	($1,451,696)	($1,651,696)
Add back: supported portion	$1,429,696	$1,429,697
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$2,353,302	$2,079,489
Net sources (uses) of cash equivalents* during year	($1,070,185)	$39,536
Cash Equivalents at the beginning of the year	$546,586	$507,050
Cash Equivalents at the end of the year	($523,599)	$546,586

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3240

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$1,735,248	$2,097,153	($451,413)	$89,508	$0	$0	$0	$0	$29,441	$0	$36,473	$0	$23,594	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$1,735,248	$2,097,153	($451,413)	$89,508	$0	$0	$0	$0	$29,441	$0	$36,473	$0	$23,594	$0	$0
Surplus(def) of revenue over expenses	$11,958		$11,958												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($2,223,899)	$2,223,899												
Amortization of capital allocations		$2,072,534	($2,072,534)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$22,000	($22,000)												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$1,747,206	$1,967,788	($310,090)	$89,508	$0	$0	$0	$0	$29,441	$0	$36,473	$0	$23,594	$0	$0

School Jurisdiction Code: 3240

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$514,166	$25,639,756
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$514,166	$25,639,756
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$528,735	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$40,706	
Interest earned on provincial government capital allocations		$1,449	
Other capital grants and donations		$1,804,412	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,429,696
Expended capital allocations - current year		($2,864,473)	$2,864,473
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,072,534
Balance at August 31, 2003		$24,995	$27,861,391

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT #2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The significant accounting policies are as follows:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are then amortized to revenue on the same basis as the amortization of the capital asset acquired.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies and maintenance, which will be consumed subsequent to the year-end and are, accordingly, recorded as prepaid expenses. In addition, certain insurance expenses fall into this category.

Capital Assets

Capital assets are recorded at cost. Rates of amortization applied on a straight-line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	2.5% to 10%	(10 years to 40 years)
Equipment	10% to 20%	(5 years to 10 years)
Vehicles	10% to 20%	(5 years to 10 years)

No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. No amortization is recorded in the year of disposition.

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related assets.

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Prairie Public School District #2357 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $273,611 (2002 - $244,010) for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported a deficit of $444,980,000 (2001 surplus of $634,960,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT #2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. DEFERRED REVENUE

	2003	2002
BQRP Funding 2003 – 2004	$ 417,049	$ 417,049
BQRP Funding 2002 – 2003	85,754	170,755
One Time Funding 2003 – 2004	166,258	-
One Time Funding 2001 – 2002	-	83,574
One Time Funding 2000 – 2001	-	29,603
Mod Block Funding	607,736	689,111
Resources for the Classroom 2003 – 2004	124,174	-
Other	81,016	156,012
	$ 1,481,987	$ 1,546,104

GRANDE PRAIRIE PUBLIC SCHOOL DISTRICT #2357
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2003

4. LONG-TERM DEBT

	2003	2002
Debentures - supported	$ 13,152,171	$ 14,581,867
- unsupported	93,200	115,200
	13,245,371	14,697,067
Less current portion	(1,451,696)	(1,451,696)
	$ 11,793,675	$ 13,245,371

The debentures are issued from the Alberta Municipal Finance Corporation to finance construction of school buildings, bear interest at rates ranging from 6.375% to 12.0% per annum and mature in 2005 through 2020.

Principal repayments required in each of the next five fiscal years to maturity are as follows:

	Principal	Interest	Total
2004	$ 1,451,696	$ 1,314,588	$ 2,766,284
2005	1,451,696	1,163,604	2,615,300
2006	1,392,897	1,012,620	2,405,517
2007	1,392,897	867,810	2,260,707
2008	1,376,097	723,052	2,099,149
2009 to maturity	6,180,088	2,476,414	8,656,502
Total	$ 13,245,371	$ 7,558,088	$ 20,803,459

5. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

6. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

7. COMMITMENTS

The jurisdiction is committed to further capital expenditures for the Crystal Park School CTS Construction/Renovation Project of approximately $725,000 and the Lions Learning Centre Project of approximately $75,000. It is anticipated that those costs will be fully funded by the capital allocations from Alberta Infrastructure.

The jurisdiction is committed to severance and/or retirement pay for senior administrative officers for a total maximum liability of $250,000, of which a total of $205,777 (2002 - $180,000) has been accrued in these financial statements.

In addition, the jurisdiction is committed to early retirement incentive pay for an estimated total liability of $868,584 of which $59,652 has been accrued in the financial statements. It is anticipated that these amounts will be funded on an annual basis through the normal budgeting process.

8. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The jurisdiction's primary source of income is from the Alberta Government. The jurisdiction's ability to continue viable operations is dependent on this funding.

9. THE URBAN SCHOOLS INSURANCE CONSORTIUM

The jurisdiction is a member of The Urban Schools Insurance Consortium (USIC) which facilities the placement of property and liability insurance coverage for thirteen jurisdictions throughout the province of Alberta. Premium rebates are received from the insurers favourable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The jurisdiction's share of the accumulated consortium funds as at August 31, 2003 was $166,053 (2002 - $131,373).

10. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

11. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

School Jurisdiction Code: 3240

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$27,845,915	$1,691,828	$26,154,087						
(2) Support block	$2,406,516				$977,320			$1,429,196	
(3) Instruction & support block reallocations	$0	($406,065)	$406,065		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$751,201	$0	$751,201						
(5) Student Health Initiative (SHI)	$261,370	$0	$261,370						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,265,000	$37,191	$1,211,364					$16,445	$0
(8) Regional P.D. Consortium (6 boards only)	$159,908								$159,908
(9) Regional Assessment Services (4 boards only)	$536,130								$536,130
(10) Other Alberta Learning revenues	$48,637	$0	$48,637	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$33,274,677	$1,322,954	$28,832,724	$0	$977,320			$1,445,641	$696,038
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$610,902	$0	$0	$610,902					
(13) Operations & Maintenance support	$3,624,539			$3,624,539					
(14) Operations & Maintenance support (One-Time)	$153,860			$153,860					
(15) **Total Alberta Infrastructure Revenue**	$4,389,301	$0	$0	$4,389,301					
(16) **Alberta Finance**	$1,372,850			$1,372,850	$0			$0	$0
(17) **Other - Government of Alberta**	$268,262	$0	$0	$6,302	$0			$0	$261,960
(18) **Federal Government and/or First Nations**	$209,400	$0	$0	$0	$0			$0	$209,400
(19) **Other Alberta school authorities**	$466,927	$0	$183,314	$0	$0			$0	$283,613
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$376,338	$6,896	$369,442						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$446,508	$254	$57,465	$197,947	$0			$35,794	$155,048
(25) **Investment income**	$30,757	$0	$0	$0	$0			$24,671	$6,086
(26) **Gifts and donations**	$145,010	$0	$74,715	$0	$0				$70,295
(27) **Rentals of facilities**	$83,624		$0	$82,049	$0			$1,575	$0
(28) **Net school generated funds**	$493,107		$493,107					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$2,072,534		$0	$2,070,074	$2,460				$0
(31) **TOTAL REVENUES**	$43,629,295	$1,330,104	$30,010,767	$8,118,523	$979,780			$1,507,681	$1,682,440
EXPENSES									
(32) **Certificated salaries**	$21,592,212	$580,827	$20,485,977				$328,188	$328,188	$197,220
(33) **Certificated benefits**	$2,941,156	$77,308	$2,808,556				$33,050	$33,050	$22,242
(34) **Uncertificated salaries and wages**	$6,409,545	$418,976	$3,120,556	$1,653,228	$117,157	$58,974	$405,699	$464,673	$634,955
(35) **Uncertificated benefits**	$1,654,175	$124,939	$816,008	$387,116	$24,397	$16,689	$130,794	$147,483	$154,232
(36) **SUB - TOTAL**	$32,597,088	$1,202,050	$27,231,097	$2,040,344	$141,554	$75,663	$897,731	$973,394	$1,008,649
(37) **Services, contracts & supplies**	$6,898,120	$128,054	$2,201,162	$2,601,234	$817,528	$118,053	$269,029	$387,082	$763,060
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$493,107		$493,107						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,072,534	$0	$0	$2,070,074	$2,460		$0	$0	$0
(41) Unsupported	$151,365	$0	$0	$119,744	$12,002	$0	$19,619	$19,619	$0
(42) Total Amortization	$2,223,899	$0	$0	$2,189,818	$14,462	$0	$19,619	$19,619	$0
Interest on capital debt									
(43) Supported	$1,372,843	$0	$0	$1,372,843	$0		$0	$0	$0
(44) Unsupported	$12,027	$0	$0	$12,027	$0	$0	$0	$0	$0
(45) Other interest charges	$20,253	$0	$0	$0	$0		$20,253	$20,253	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$43,617,337	$1,330,104	$29,925,366	$8,216,266	$973,544	$193,716	$1,206,632	$1,400,348	$1,771,709
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$11,958	$0	$85,401	($97,743)	$6,236			$107,333	($89,269)
Applicable student numbers/FTE equivalent									

SCHEDULE B1 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12) All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,528,935	$2,205,191	$0	$623,410	$513,588	$614,853	$0	$20,485,977
Certificated benefits	$2,238,794	$282,753	$0	$93,971	$64,501	$128,537	$0	$2,808,556
Uncertificated salaries and wages	$452,442	$856,956	$0	$997,960	$813,198	$0	$0	$3,120,556
Uncertificated benefits	$132,089	$220,143	$0	$277,566	$186,210	$0	$0	$816,008
SUB - TOTAL REMUNERATION	$19,352,260	$3,565,043	$0	$1,992,907	$1,577,497	$743,390	$0	$27,231,097
Services, contracts & supplies	$1,748,820	$112,306	$48	$32,740	$23,492	$22,386	$261,370	$2,201,162
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$493,107							$493,107
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$21,594,187	$3,677,349	$48	$2,025,647	$1,600,989	$765,776	$261,370	$29,925,366
FTE Certificated				10.5	8.5			
FTE Uncertificated				42.3	34.5			

SCHEDULE B2 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,674,099	$2,272,572	$808,601	$406,065	$26,161,337	$22,858,864	$3,302,473
School Admin & Instruction Support Expenses						$3,677,349	($3,677,349)
System Instruction Support Expenses						$48	($48)
Total Basic Instruction	$22,674,099	$2,272,572	$808,601	$406,065	$26,161,337	$26,536,261	($374,924)
Sub-Programs & Initiatives							
Severely Disabled	$1,524,315		$0		$1,524,315	$1,600,989	($76,674)
English as a Second Language	$56,316				$56,316	$27,565	$28,751
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$249,872				$249,872	$307,699	($57,827)
Sparsity & Distance	$970,704				$970,704		$970,704
Growth & Density	$113,676				$113,676		$113,676
Teacher Assistants Program	$100,876				$100,876	$147,764	($46,888)
Early Literacy Initiative (K-2)	$179,080				$179,080	$183,592	($4,512)
Learning Resources Credit & Resources for the Classroom	$53,988	$0	$369,442		$423,430	$837,245	($413,815)
Technology Integration	$221,622		$0		$221,622	$277,520	($55,898)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$9,539		$0		$9,539	$6,731	$2,808
Total Sub-Programs & Initiatives	$3,479,988		$369,442		$3,849,430	$3,389,105	$460,325
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$26,154,087	$2,272,572	$1,178,043	$406,065	$30,010,767	$29,925,366	$85,401

School Jurisdiction Code: 3240

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,691,828	$26,154,087		$977,320	$1,429,196	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$27,845,915* = *$556,918* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($406,065)	$406,065				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($406,065)	$406,065		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3240

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$27,624,293
Support Block - Transportation	$977,320
SUBTOTAL	$28,601,613

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,624,539
Teacher Salary Enhancement	$1,265,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$268,262
Federal government/First Nations	$209,400
Other Alberta school authorities	$466,927
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$446,508
Interest on investments	$30,757
Rentals of facilities	$83,624
Gains on disposal of capital assets	$0
Amortization of capital allocations	$2,072,534
School generated funds (Schedule E)	$1,054,507
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$38,123,671**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.42%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,686,210

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,686,210**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,400,348
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,400,348
Maximum Expense Limit for Board & System Administration (Step 3)	$1,686,210
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$285,862

School Jurisdiction Code: 3240

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$358,650
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,054,507	
Less: SGF - related cost recoveries (Note 3)	$531,837	
- capitalized at the District level (Note 4)	$0	
Net Total	$522,670	
Plus: Donations Received (Note 5)	$8,245	
Equals: Net Additions to SGF		$530,915
Net SGF Available for discretionary spending		$889,565
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$493,107
Unexpended SGF - Closing Balance August 31, 2003		$396,458

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3240

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,044,991	$527,938	$0	$0	$80,299	$1,653,228		$1,653,228
Uncertificated benefits	$235,646	$133,723	$0	$0	$17,747	$387,116		$387,116
Sub-total Remuneration	$1,280,637	$661,661	$0	$0	$98,046	$2,040,344		$2,040,344
Contracted Services	$24,309	$74,988	$0	$389,008	$0	$488,305		$488,305
Supplies	$95,359	$343,561	$0	$221,894	$20,196	$681,010		$681,010
Electricity			$743,880			$743,880		$743,880
Natural Gas/Heating Fuel			$464,483			$464,483		$464,483
Sewer and Water			$74,413			$74,413		$74,413
Telecommunications			$37,333			$37,333		$37,333
Insurance					$111,810	$111,810		$111,810
Amortization of capital assets								
Supported							$2,070,074	$2,070,074
Unsupported						$119,744		$119,744
Total Amortization						$119,744	$2,070,074	$2,189,818
Interest on capital debt								
Supported							$1,372,843	$1,372,843
Unsupported						$12,027		$12,027
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,400,305	$1,080,210	$1,320,109	$610,902	$230,052	$4,773,349	$3,442,917	$8,216,266
SQUARE METRES								
School Buildings								64,298.5
Non School Buildings								2,452.6

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3240

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Clyde Blackburn	1.0	$12,484	$3,295	$0	$0	$0	$15,779	$4,546
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Ken Chomyc	1.0	$10,153	$4,326	$0	$0	$0	$14,479	$1,654
Name Paulette Kurylo	1.0	$11,884	$1,388	$0	$0	$0	$13,272	$3,549
Name Doreen Lakusta	1.0	$12,827	$3,306	$0	$0	$0	$16,133	$4,165
Name John Lehners	1.0	$11,626	$4,374	$0	$0	$0	$16,000	$4,177
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$58,974*	*$16,689*	*$0*	*$0*	*$0*	*$75,663*	*$18,091*
Superintendent Lorne Radbourne	1.0	$113,968	$9,837	$0	$0	$0	$123,805	$4,703
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Robert Leech	1.0	$101,031	$16,107	$0	$0	$0	$117,138	$3,363
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	321.1	$21,312,771	$2,818,694	$0	$0	$278,098	$24,409,563	
Uncertificated Salaries & Wages	212.5	$6,249,540	$1,621,379	$0	$0	$0	$7,870,919	
TOTALS		**$27,836,284**	**$4,482,706**	**$0**	**$0**	**$278,098**	**$32,597,088**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3240

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1085

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grande Yellowhead Regional Division 35
Name of School Jurisdiction

3656 - 1 ave. , Edson, AB T7E 1S8
Mailing Address

780-723-4471 (phone) and 780-723-2414 (fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Grande Yellowhead Regional Division 35 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Lynda Akers — Name
"Original signed by" — Signature

SUPERINTENDENT

Dean Lindquist — Name
"Original signed by" — Signature

SECRETARY TREASURER OR TREASURER

Alvin Johnston — Name
"Original signed by" — Signature

27-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1085

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Mergaert, Rathgeber & Barford
Chartered Accountants

AUDITORS' REPORT

To the Board of Trustees,
Grande Yellowhead Regional Division No. 35

We have audited the statement of financial position of the Grande Yellowhead Regional Division No. 35 as at August 31, 2003, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003, and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Dated at Edson, Alberta, this 18th day of November, 2003.

Signed: Mergaert, Rathgeber & Barford

Firm: Mergaert, Rathgeber & Barford

Accounting Designation: Chartered Accountants

Address: #201, 6823 - 4 Avenue
Edson, AB T7E 1S9

Telephone No.: (780) 723-4428
Fax No.: (780) 723-2343

School Jurisdiction Code: 1085

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Re-stated
ASSETS			
Current assets			
Cash and temporary investments		$7,943,480	$8,491,989
Accounts receivable (net after allowances)		$7,030,597	$1,244,471
Prepaid expenses		$459,825	$530,581
Other current assets		$171,868	$77,663
Total current assets		$15,605,770	$10,344,704
School generated assets		$557,020	$582,380
Trust assets		$828,272	$757,369
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,035,589	$1,091,658
Buildings	$41,314,050		
Less: accumulated amortization	($23,909,631)	$17,404,419	$21,771,775
Equipment	$11,450,942		
Less: accumulated amortization	($10,118,102)	$1,332,840	$1,708,121
Vehicles	$3,567,130		
Less: accumulated amortization	($1,520,668)	$2,046,462	$1,770,413
Total capital assets		$21,819,310	$26,341,967
TOTAL ASSETS		$38,810,372	$38,026,420
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,317,759	$3,175,310
Deferred revenue		$720,889	$1,173,283
Deferred capital allocations		$5,797,129	$0
Current portion of all long term debt		$953,735	$1,191,888
Total current liabilities		$10,789,512	$5,540,481
School generated liabilities		$557,020	$582,380
Trust liabilities		$828,272	$757,369
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$6,350,410	$8,118,229
	Less: Current portion of supported debt	($953,735)	($1,191,888)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$10,174,752	$12,850,785
Total long term liabilities		$16,956,719	$21,116,875
TOTAL LIABILITIES		$27,746,231	$26,657,356
NET ASSETS			
Unrestricted net assets		$1,278,176	$1,849,508
Operating Reserves		$4,305,602	$3,927,719
Accumulated Operating Surplus (Deficit)		$5,583,778	$5,777,227
Investment in capital assets		$5,294,146	$5,372,952
Capital Reserves		$186,217	$218,885
Total Capital Funds		$5,480,363	$5,591,837
Total net assets		$11,064,141	$11,369,064
TOTAL LIABILITIES AND NET ASSETS		$38,810,372	$38,026,420

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1085

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003 Restated	Actual 2002
REVENUES			
Alberta Learning	$36,020,757	$35,042,681	$35,750,715
Alberta Infrastructure	$5,012,697	$4,008,462	$2,193,976
Alberta Finance	$1,194,929	$837,039	$1,439,133
Other Government of Alberta	$117,268	$0	$59,652
Federal Government and/or First Nations	$13,735	$0	$18,754
Other Alberta school authorities	$115,064	$110,250	$141,103
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$9,040	$0	$9,044
Instruction resource fees	$367,470	$370,864	$404,327
Transportation fees	$23,128	$17,300	$21,754
Other sales and services	$308,742	$145,000	$186,308
Investment income	$262,992	$70,000	$254,100
Gifts and donations	$29,290	$0	$9,533
Rentals of facilities	$18,840	$0	$14,470
Net school generated funds	$389,825	$481,000	$301,111
Gains on disposal of capital assets	$53,458	$0	$8,642
Amortization of capital allocations	$1,405,385	$1,288,554	$1,458,609
Total Revenues	$45,362,620	$42,371,150	$42,271,231
EXPENSES			
Certificated salaries	$20,593,311	$20,062,487	$18,309,567
Certificated benefits	$2,366,256	$2,170,123	$2,061,761
Uncertificated salaries and wages	$7,152,303	$6,389,498	$6,425,403
Uncertificated benefits	$1,757,962	$1,683,472	$1,547,747
Services, contracts and supplies	$9,555,066	$8,500,540	$8,521,592
Net school generated funds	$389,825	$481,000	$301,111
Capital and debt services			
Amortization of capital assets			
Supported	$1,405,385	$1,288,554	$1,458,608
Unsupported	$910,800	$952,437	$791,537
Total Amortization of capital assets	$2,316,185	$2,240,991	$2,250,145
Interest on capital debt			
Supported	$1,194,929	$837,039	$1,439,133
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,194,929	$837,039	$1,439,133
Other interest charges	$3,885	$6,000	$8,009
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$45,329,722	$42,371,150	$40,864,468
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$32,898	$0	$1,406,763
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$15,144
Extraordinary item	($205,242)	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($172,344)	$0	$1,421,907

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1085

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002 re-stated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($172,344)	$1,421,907
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,405,385)	($1,458,609)
Total amortization expense	$2,316,185	$2,250,145
Gains on disposal of capital assets	($53,458)	($8,642)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($5,786,126)	$604,219
Prepaids and other current assets	($23,449)	($159,278)
Payables and accrued liabilities	$142,449	($425,880)
Deferred revenue	($452,394)	$381,627
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($5,434,522)	$2,605,489
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($552,162)	($281,525)
Equipment	($309,907)	($716,515)
Vehicles	($654,666)	($419,107)
Net proceeds from disposal of capital assets	$53,458	$8,642
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($1,463,277)	($1,408,505)
C. FINANCING ACTIVITIES		
Capital allocations received	$6,349,291	$226,660
Issue of long term debt	$0	$0
Repayment of long term debt	($1,767,819)	($1,290,547)
Add back: supported portion	$1,191,888	$1,290,548
Other (describe) Debentures transferred to Living Waters	$575,930	$0
Total sources (uses) from Financing activities	$6,349,290	$226,661
Net sources (uses) of cash equivalents* during year	($548,509)	$1,423,645
Cash Equivalents at the beginning of the year	$8,491,989	$7,068,344
Cash Equivalents at the end of the year	$7,943,480	$8,491,989

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 1085

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$11,369,064	$5,330,459	$1,849,508	$4,189,097	$3,385,168	$44,338	$0	$0	$31,929	$105,795	$72,403	$479,249	$70,215	$0	$0
Prior period adjustments (describe)															
Equipment purchase was to have	$0	$42,493	$0	($42,493)	($42,493)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
been Board funded capital covered	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
by operating reserves	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$11,369,064	$5,372,952	$1,849,508	$4,146,604	$3,342,675	$44,338	$0	$0	$31,929	$105,795	$72,403	$479,249	$70,215	$0	$0
Surplus(def) of revenue over expenses	($172,344)		($172,344)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$964,573	($141,166)	($823,407)	($63,241)	($62,305)	$0		$0	$0	($13,979)	($330,978)	($352,904)	$0	$0
Donations of non-amortizable assets	($56,069)	($56,069)													
Amortization of capital assets		($2,316,185)	$2,316,185												
Amortization of capital allocations		$1,405,385	($1,405,385)												
Disposal of unsupported capital assets	($76,510)	($76,510)	($126,068)	$126,068		$0			$0		$0		$126,068		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($772,102)	$772,102	$715,602		$0			$0		$56,500		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			($270,452)	$270,452		$22,000			$0		$0		$248,452		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$11,064,141	$5,294,146	$1,278,176	$4,491,819	$3,995,036	$4,033	$0	$0	$31,929	$105,795	$58,424	$204,771	$91,831	$0	$0

School Jurisdiction Code: 1085

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002 Restated UCA		$0	$12,850,785
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$12,850,785
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$490,009	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$5,859,282	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,191,888
Expended capital allocations - current year		($552,162)	$552,162
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$3,014,698
Capital allocations amortized to revenue			$1,405,385
Balance at August 31, 2003		$5,797,129	$10,174,752

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

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1. **Authority and Purpose**

The Regional Division delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction, support and capital purposes under Regulation 72/95. The regulation limits funding and expenses charged to administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. **Summary of Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations that are amortized to revenue on the same basis as the capital assets acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when cabn be reasonably determined.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as a direct increase in the trust assets and liabilites.

b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 10%
Equipment	10% to 20%
Vehicles	10% to 20%

No amortization is recorded in the year of acquisition. Full amortization is recorded in the year of disposal.

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related assets.

2 **Summary of Significant Accounting Policies - continued**

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

d) Inventories

Inventories are recorded at the lesser of cost and net realizable value.

e) Vacation Pay and Banked Overtime

Vacation pay and banked overtime are accrued in the period in which the employee earns the benefit.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs are delivered. Because of the difficulty in determining the fair value of these contributed services and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g) Pension Obligation

The school board participates in a multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual employer contributions for current service of $295,277 for the year ended August 31, 2003.

The current and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grande Yellowhead Regional Division 35 does not make pension contributions for certificated staff.

h) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction has accounted for the future cost of employee benefits.

3 **Cash and Temporary Investments**

	2003	2002
Cash in Bank	2,810,832	488,779
Petty Cash Trust	3,160	3,210
Term Deposits*	5,129,488	8,000,000
Total	**7,943,480**	**8,491,989**

3. **Cash and Temporary Investments (continued)**

*The term deposits are as follows:

Principal		Interest Rate	Maturity Date
	232,338	2.72%	Sept 30, 2003
	3,000,000	2.72%	Sept 30, 2003
	397,150	2.72%	Sept 30, 2003
	1,500,000	3.52%	April 16, 2004
Total:	**5,129,488**		

4. **Accounts Receivable**

	2003	**2002 Restated**
Provincial Government	4,086,129	877,636
Federal Government	182,897	154,541
Other	55,783	181,063
School Authorities	2,705,788	31,231
Total	**7,030,597**	**1,244,471**

With the closure and transfer of Roche Miette School in Hinton and Jubilee Junior High School in Edson to Living Waters Catholic Regional Division effective August 31, 2003, a receivable is recognized for the residual value of the two schools.

Alberta Infrastructure:	
Residual value of Jubilee Junior High	$3,160,742
Living Waters Catholic Regional Division:	
Residual value of Roche Miette	$2,698,540
Equipment purchases	$ 7,248
	$2,705,788

5. **Prepaid Expenses**

	2003	**2002**
Insurance	88,292	105,962
Expenses- School/Other	371,533	424,619
Total	**459,825**	**530,581**

6. **Other Current Assets**

	2003	**2002**
Inventory	171,748	77,543
A.M.F.C. Deposit	120	120
Total	**171,868**	**77,663**

7. **Trust Assets and Liabilities**

	2003	**2002**
Carmichael Endowment Fund (Principal)	406,309	406,309
Carmichael Endowment Fund (Interest)	4,068	6,026
Deferred Salary Plan Contributions	164,596	175,895
Student Health Initiative Trust (Banker Board)	253,299	169,139
Total	**828,272**	**757,369**

7. **Trust Assets and Liabilities (continued)**

The Carmichael Endowment Fund is held in trust as a scholarship fund for Harry Collinge High School. These funds are held as term certificates at the Royal Bank of Canada. The term deposits are as follows:

Principal	Interest Rate	Maturity Date
80,700	6.00%	September 29, 2003
80,700	6.05%	September 29,2004
80,742	6.10%	September 29, 2005
80,700	4.65%	September 29, 2006
2,767	4.65%	September 29, 2006
80,700	4.05%	September 29, 2007

The 'Deferred Salary Plan' contributions are held in trust at the Laurentian Bank.

As the 'Banker' Board for Westview Student Health Initiative Partnership, Grande Yellowhead Regional Division holds the residual funds in trust.

8 **Bank Indebtedness**

The Board of Trustees established a Borrowing Resolution with ATB Financial, Edson for $1,250,000 with interest calculated and paid monthly at a rate of 1/4% below prime. The resolution is passed each fall for a one-year term. There was no balance outstanding on the line-of-credit at August 31, 2003. Included in the line-of-credit, Grande Yellowhead has a ATB Mastercard with a credit limit of $50,000, bearing interest to be calculated at prime + 2%.

9 **Accounts Payable and Accrued Liabilities**

	2003	2002
Province of Alberta	612,125	471,290
Current Accounts Payable	2,705,634	2,704,020
Total	**3,317,759**	**3,175,310**

10 **Deferred Revenue**

	2003	2002
AB Learning 03/04 Funding	45,900	132,328
2003 BQRP	0	163,834
2004 BQRP	368,440	459,418
2002 Block Modernization	0	256,890
Alberta Initiative for School Improvement	0	84,028
Student Health Initiative (Infrastructure Funding)	46,303	56,766
Other	29,078	20,019
Technology Integration Funds (2003)	231,168	
Total	**720,889**	**1,173,283**

11. **Long-Term Debt**

a) Debenture Debt - Supported

The debentures were acquired to finance buildings constructed by the jurisdiction. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. The debenture debt bears interest at rates varying between 7.375% and 12%. The debt matures over the period 2004 to 2015.

11 **Long-Term Debt (continued)**

	2003			2002
	Total	Current Portion	Long-Term Portion	Long-Term Portion
Alberta Municipal Financing Corporation – debentures	6,350,410	953,735	5,396,675	6,926,341

Principal repayments required in each of the next five fiscal years are as follows:

2003-2004	953,735
2004-2005	781,493
2005-2006	776,993
2006-2007	754,493
2007-2008	754,493

With the transfer of Roche Miette School to Living Waters Catholic Regional Division, the related debentures of $575,931 were transferred effective August 31, 2003.

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

12 **Deferred Capital Allocations**

Capital allocations are received for capital projects initiated by the jurisdiction and approved by Alberta Infrastructure. These allocations are transferred to Unamortized Capital Allocations when capital assets are purchased.

13 **Unamortized Capital Allocations**

Unamortized capital allocations (UCA) represent the jurisdiction's net investment of capital assets purchased prior to September 1,1995 and the net book value of supported capital assets subsequently purchased (other than land and equipment). The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

14 **Reserves**

Reserves represent funds allocated for future capital and operating expenditures. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

Operating Reserves	**Restated Balance Sept. 1, 2002**	**Contributions During 2003**	**Utilized During 2003**	**Balance Aug. 31, 2003**
Schools	2,083,884	107,947	44,579	2,147,252
Instruction – Other	551,398	65,604	0	617,002
Instruction – Technology	707,393	542,051	18,662	1,230,782
Transportation	479,249	56,500	330,978	204,771
System Administration	105,795	0	0	105,795
Total	**3,927,719**	**772,102**	**394,219**	**4,305,602**
Capital Reserves	**Balance Sept. 1, 2002**	**Contributions During 2003**	**Utilized During 2003**	**Balance Aug. 31, 2003**
Equipment	72,403	0	13,979	58,424
Vehicles	146,482	396,520	415,209	127,793
Total	**218,885**	**396,520**	**429,188**	**186,217**
Total operating and capital reserves	**4,146,604**	**1,168,622**	**823,407**	**4,491,819**

15 **Extraordinary Item**

During the previous two fiscal years, the Board incurred $206,242 of capital costs related to the modernization of Parkland Composite High School and Pine Grove Elementary. In 2002, Alberta Infrastructure did not approve the continuation of these projects.

As part of the Government's new 2003-2006 Capital Plan, Grande Yellowhead Regional Division received approval for modernization of Parkland Composite High and Pine Grove Elementary schools. As a result of the re-structuring of the Government's Capital Plan, there were costs incurred under the previously approved capital projects that were not funded by capital funds. These expenditures in amount of $205,242 have been recorded as an extraordinary item.

16. **Accrued Professional Improvement leave**

This leave is paid out during a period of professional leave taken by the employee. The remaining amount is to be paid out to the employee upon their leaving employment with the jurisdiction.

17. **Budget Amounts**

The budget was prepared by the school jurisdiction and the Board of Trustees gave approval on June 11, 2002. It is presented for information only and has not been audited.

18. **Comparative Figures**

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

19. **Commitments**

a) Copier Lease

The jurisdiction is committed to the annual lease on copiers with IKON Capital. The jurisdiction entered into a five (5) year lease for copiers placed in the schools and the administration office. Current leases are as follows:

Lease No.	Start Date	Expiry Date	Annual payment
101-0306836-105	June, 2002	June 2007	85,078
101-402189-105	October, 2002	October,2007	72,965
101-0306528-105	December, 2001	December, 2006	64,576
101-0308170-105	September, 2001	September, 2006	8,015

b) Activity Buses

Four Heritage activity buses have been ordered at a value of $73,878 each from Corbeil Bus Sales. At August 31, 2003 the manufacturing of these buses had not yet commenced and thus no payable had been incurred. Unrestricted Net Assets will be reduced by $295,512 when the possession of the activity buses takes place.

c) Construction Contracts

Contracts have been entered into for the project and construction management of the three major modernization projects.

The future commitments on these contracts are	Year 2003/2004	$179,985
	Year 2004/2005	$ 81,215

20. **Prior Period Adjustment**

As part of the capital projects undertaken at Parkland Composite High and Pine Grove Elementary, a tower was constructed to transmit telecommunication signals. In 2001-2002, this was reported as 'supported equipment' and amortized through 'Unamortized Capital Allocations'. With the discontinuation of funding on these capital projects, the tower construction has to be treated as 'Board Funded Capital' with 'Technology Operating Reserves' as the source of funds.

The August 31, 2002 ending balances of the 'Statement of Changes in Net Assets' required re-statement; resulting in an increase of $42,492 in 'Equity in Net Assets' and a reduction to Instruction Operating Reserves by the same amount. Unamortized Capital Allocations and Accounts Receivable decreased by $42,493 each.

21. **Economic Dependence on Related Third Party**

Grande Yellowhead Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$28,906,698	$1,439,488	$27,467,210						
(2) Support block	$4,465,851				$2,929,416			$1,536,435	
(3) Instruction & support block reallocations	$0	$0	$24,194		$0			($24,194)	$0
(4) Alberta Initiative for School Improvement (AISI)	$805,879	$0	$805,879						
(5) Student Health Initiative (SHI)	$493,538	$0	$459,377						$34,161
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,244,000	$57,258	$1,162,548					$24,194	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$104,791	$0	$104,791	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$36,020,757	$1,496,746	$30,023,999	$0	$2,929,416			$1,536,435	$34,161
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$636,976	$0	$0	[illegible]					
(13) Operations & Maintenance support	$3,979,892			$3,979,892					
(14) Operations & Maintenance support (One-Time)	$395,829			$395,829					
(15) **Total Alberta Infrastructure Revenue**	$5,012,697	$0	$0	$5,012,697					
(16) **Alberta Finance**	$1,194,929			$1,194,929	$0			$0	$0
(17) **Other - Government of Alberta**	$117,268	$0	$36,188	$81,080	$0			$0	$0
(18) **Federal Government and/or First Nations**	$13,735	$0	$13,735	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$115,064	$0	$0	$0	$0			$0	$115,064
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$9,040	$0	$9,040	$0				$0	$0
(22) **Instruction resource fees**	$387,470	$19,912	$367,558						
(23) **Transportation fees**	$23,128				$23,128				
(24) **Other sales and services**	$308,742	$0	$210,684	$20,148	$76,760			$1,150	$0
(25) **Investment income**	$262,992	$11,338	$213,765	$13,506	$14,652			$9,731	$0
(26) **Gifts and donations**	$29,290	$0	$19,290	$10,000	$0				$0
(27) **Rentals of facilities**	$18,840		$0	$18,102	$738			$0	$0
(28) **Net school generated funds**	$389,825		$389,825					$0	
(29) **Gains on disposal of capital assets**	$53,458		$0	$3,900	$49,558			$0	$0
(30) **Amortization of capital allocations**	$1,405,385		$176,521	$1,228,864	$0				$0
(31) **TOTAL REVENUES**	$45,382,620	$1,527,996	$31,480,605	$7,583,226	$3,094,252			$1,547,316	$149,225
EXPENSES									
(32) **Certificated salaries**	$20,593,311	$853,982	$19,230,663				$508,666	$508,666	$0
(33) **Certificated benefits**	$2,366,256	$98,542	$2,231,803				$35,911	$35,911	$0
(34) **Uncertificated salaries and wages**	$7,152,303	$292,656	$4,671,676	$871,670	$865,253	$85,966	$360,287	$446,253	$4,793
(35) **Uncertificated benefits**	$1,757,962	$83,267	$1,173,858	$177,808	$206,670	$26,744	$87,282	$114,026	$2,333
(36) **SUB - TOTAL**	$31,869,832	$1,328,447	$27,308,002	$1,049,478	$1,071,923	$112,710	$992,146	$1,104,856	$7,126
(37) **Services, contracts & supplies**	$9,555,066	$88,494	$2,916,818	$4,182,950	$1,862,224	$152,098	$410,383	$562,481	$142,099
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$61,910	($5,510)	($29,000)	($72,400)	$0	$45,000	$45,000	$0
(39) **Net school generated funds**	$389,825		$389,825						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,405,385	$0	$176,521	$1,228,864	$0		$0	$0	$0
(41) Unsupported	$910,800	$0	$482,352	$162,807	$248,452	$0	$17,189	$17,189	$0
(42) Total Amortization	$2,316,185	$0	$658,873	$1,391,671	$248,452	$0	$17,189	$17,189	$0
Interest on capital debt									
(43) Supported	$1,194,929	$0	$0	$1,194,929	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$3,885	$0	$644	$68	$133		$3,040	$3,040	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$45,329,722	$1,478,851	$31,288,652	$7,790,096	$2,910,332	$264,808	$1,467,758	$1,732,566	$140,225
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$32,898	$49,145	$191,953	($206,870)	$183,920			($185,250)	$0
Applicable student numbers/FTE equivalent	5,573.0	396	5,375.0	5,573.0	2,783			5,573.0	
AVERAGE PROGRAM COSTS per student	$8,134	$3,734	$5,817	$1,398	$1,046			$311	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,731,538	$1,649,056	$142,690	$0	$93,806	$605,949	$7,624	$19,230,663
Certificated benefits	$2,022,656	$178,951	$12,844	$0	$9,355	$7,703	$294	$2,231,803
Uncertificated salaries and wages	$952,439	$920,302	$261,274	$255,723	$1,906,479	$95,438	$280,023	$4,671,678
Uncertificated benefits	$225,667	$239,861	$62,609	$64,400	$505,172	$20,665	$55,484	$1,173,858
SUB - TOTAL REMUNERATION	$19,932,300	$2,988,170	$479,417	$320,123	$2,514,812	$729,755	$343,425	$27,308,002
Services, contracts & supplies	$2,384,623	$210,063	$86,334	$34,284	$8,906	$76,610	$115,998	$2,916,818
Cost recoveries & transfers	($28,250)	$0	$22,740	$0	$0	$0	$0	($5,510)
Net school generated funds	$389,825							$389,825
Amortization of capital assets								
Supported	$176,521	$0	$0					$176,521
Unsupported	$482,352	$0	$0					$482,352
Total Amortization	$658,873	$0	$0					$658,873
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$644	$0						$644
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$23,338,015	$3,198,233	$588,491	$354,407	$2,523,718	$806,365	$459,423	$31,268,652
FTE Certificated				0.0	1.0			
FTE Uncertificated				5.7	52.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$23,438,095	$2,427,804	$1,060,008	$24,194	$26,950,101	$23,675,243	$3,274,858
School Admin & Instruction Support Expenses						$3,198,233	($3,198,233)
System Instruction Support Expenses						$588,491	($588,491)
Total Basic Instruction	$23,438,095	$2,427,804	$1,060,008	$24,194	$26,950,101	$27,461,967	($511,866)
Sub-Programs & Initiatives							
Severely Disabled	$2,366,591		$0		$2,366,591	$2,523,718	($157,127)
English as a Second Language	$16,447				$16,447	$16,447	$0
Enhanced Opportunities	$58,000				$58,000	$87,560	($29,560)
First Nations, Metis, and Inuit Education	$107,213		$9,040		$116,253	$116,270	($17)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$916,478				$916,478		$916,478
Growth & Density	$80,123				$80,123		$80,123
Teacher Assistants Program	$109,347				$109,347	$120,979	($11,632)
Early Literacy Initiative (K-2)	$211,408				$211,408	$284,660	($73,252)
Learning Resources Credit & Resources for the Classroom	$53,558	$104,791	$367,558		$525,907	$525,907	$0
Technology Integration	$0		$0		$0	$0	$0
French Language Program & Francisation (all jurisdictions)	$53,923		$0		$53,923	$64,310	($10,387)
Home Education	$56,027		$0		$56,027	$66,834	($10,807)
Total Sub-Programs & Initiatives	$4,029,115		$376,598		$4,510,504	$3,806,685	$703,819
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$27,467,210	$2,532,595	$1,436,606	$24,194	$31,460,605	$31,268,652	$191,953

School Jurisdiction Code: 1085

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,439,488	$27,467,210		$2,929,416	$1,536,435	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$28,906,698* | *=* | *$578,134* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$24,194			($24,194)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$24,194		$0	($24,194)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1085

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$28,906,698
Support Block - Transportation	$2,929,416
SUBTOTAL	$31,836,114
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,979,892
Teacher Salary Enhancement	$1,244,000
Other Alberta Learning revenues (Describe) Learning Resources Credit	$104,791
Other - Government of Alberta (Excluding Alberta Finance)	$117,268
Federal government/First Nations	$13,735
Other Alberta school authorities	$115,064
Out of province local authorities	$0
Alberta municipalities	$9,040
Other sales and services	$308,742
Interest on investments	$262,992
Rentals of facilities	$18,840
Gains on disposal of capital assets	$53,458
Amortization of capital allocations	$1,405,385
School generated funds (Schedule E)	$987,330
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$40,456,651**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.32%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,747,727
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,747,727**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,732,566
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,732,566
Maximum Expense Limit for Board & System Administration (Step 3)	$1,747,727
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$15,161

School Jurisdiction Code: 1085

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$582,380
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$987,330	
Less: SGF - related cost recoveries (Note 3)	$821,021	
- capitalized at the District level (Note 4)	$16,716	
Net Total	$149,593	
Plus: Donations Received (Note 5)	$214,872	
Equals: Net Additions to SGF		$364,465
Net SGF Available for discretionary spending		$946,845
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$389,825
Unexpended SGF - Closing Balance August 31, 2003		$557,020

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1085

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$637,555	$28,288	$0	$205,827	$871,670		$871,670
Uncertificated benefits	$0	$134,596	$6,010	$0	$37,202	$177,808		$177,808
Sub-total Remuneration	$0	$772,151	$34,298	$0	$243,029	$1,049,478		$1,049,478
Contracted Services	$1,090,612	$206,649	$0	$887,695	$80,075	$2,265,031		$2,265,031
Supplies	$2,216	$142,099	$0	$148,798	$37,694	$330,807		$330,807
Electricity			$749,732			$749,732		$749,732
Natural Gas/Heating Fuel			$617,125			$617,125		$617,125
Sewer and Water			$109,040			$109,040		$109,040
Telecommunications			$19,780			$19,780		$19,780
Insurance					$91,435	$91,435		$91,435
Amortization of capital assets								
Supported							$1,228,864	$1,228,864
Unsupported						$162,807		$162,807
Total Amortization						$162,807	$1,228,864	$1,391,671
Interest on capital debt								
Supported							$1,194,929	$1,194,929
Unsupported						$0		$0
Other interest charges						$68		$68
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($29,000)		($29,000)
TOTAL EXPENSES	$1,092,828	$1,120,899	$1,529,975	$1,036,493	$452,233	$5,366,303	$2,423,793	$7,790,096
SQUARE METRES								
School Buildings								80,479.3
Non School Buildings								2,974.3

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1085

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Akers, Lunda	1.0	$17,757	$4,613	$0	$0	$0	$22,370	$16,323
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Broughton, Brian	1.0	$14,130	$4,500	$0	$0	$0	$18,630	$14,431
Name	Caputo, Shirley	1.0	$10,306	$1,580	$0	$0	$0	$11,886	$7,339
Name	Phor, Gerald	1.0	$9,481	$4,155	$0	$0	$0	$13,636	$9,672
Name	Johnston, Howie	1.0	$10,606	$4,155	$0	$0	$0	$14,761	$6,198
Name	Lyon, Bernie	1.0	$11,056	$4,398	$0	$0	$0	$15,454	$16,331
Name	Walker, Andy	1.0	$12,630	$3,343	$0	$0	$0	$15,973	$15,811
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$85,966*	*$26,744*	*$0*	*$0*	*$0*	*$112,710*	*$86,105*
Superintendent	Puhlmann, Klaus	1.0	$159,876	$9,532	$0	$0	$280,003	$449,411	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Johnston, Alvin	1.0	$99,731	$9,694	$0	$0	$0	$109,425	$8,357
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		294.6	$20,053,901	$2,347,030	$0	$0	$0	$22,400,931	
Uncertificated Salaries & Wages		291.0	$7,734,364	$1,737,392	$0	$0	$0	$9,471,756	
TOTALS			**$28,133,838**	**$4,130,392**	**$0**	**$0**	**$280,003**	**$32,544,233**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1085

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 2045

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Grasslands Regional Division No. 6
Name of School Jurisdiction

745 - 2nd Avenue East Brooks, Alberta T1R 1L2
Mailing Address

(403) 793-6700 (403) 362-8225
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Grasslands Regional Division No. 6 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gordon Krinke — "Original Signed By"
Name — **Signature**

SUPERINTENDENT

Cal Cosh — "Original Signed By"
Name — **Signature**

SECRETARY TREASURER OR TREASURER

Lee Ann Woods — "Original Signed By"
Name — **Signature**

24-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 2045

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Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Grasslands Regional Division No. 6

We have audited the statement of financial position of the Grasslands Regional Division No. 6 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations and its cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

November 13, 2003

Chartered Accountants

School Jurisdiction Code: 2045

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$5,186,513	$8,635,753
Accounts receivable (net after allowances)		$1,162,166	$942,901
Prepaid expenses		$9,134	$6,013
Other current assets		$91,625	$95,824
Total current assets		$6,449,439	$9,680,491
School generated assets		$448,868	$377,390
Trust assets		$351,762	$306,187
Long term accounts receivable		$0	$0
Capital assets			
Land		$488,355	$488,355
Buildings	$29,669,817		
Less: accumulated amortization	($15,109,220)	$14,560,597	$14,086,291
Equipment	$1,211,589		
Less: accumulated amortization	($754,499)	$457,090	$444,876
Vehicles	$3,068,514		
Less: accumulated amortization	($1,642,187)	$1,426,327	$1,340,175
Total capital assets		$16,932,369	$16,359,697
TOTAL ASSETS		$24,182,438	$26,723,765
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,608,096	$2,591,460
Deferred revenue		$954,449	$1,605,668
Deferred capital allocations		$337,199	$1,664,987
Current portion of all long term debt		$606,676	$636,276
Total current liabilities		$3,506,420	$6,498,391
School generated liabilities		$448,868	$377,390
Trust liabilities		$351,762	$306,187
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$7,561,087	$8,309,862
Less: Current portion of supported debt		($606,676)	($636,276)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$5,730,016	$4,441,776
Total long term liabilities		$13,485,057	$12,798,939
TOTAL LIABILITIES		$16,991,477	$19,297,330
NET ASSETS			
Unrestricted net assets		$788,709	$843,521
Operating Reserves		$2,577,084	$2,790,954
Accumulated Operating Surplus (Deficit)		$3,365,793	$3,634,475
Investment in capital assets		$3,641,265	$3,608,057
Capital Reserves		$183,903	$183,903
Total Capital Funds		$3,825,168	$3,791,960
Total net assets		$7,190,961	$7,426,435
TOTAL LIABILITIES AND NET ASSETS		$24,182,438	$26,723,765

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2045

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$23,434,817	$23,153,915	$24,059,844
Alberta Infrastructure	$3,038,485	$2,754,495	$1,735,902
Alberta Finance	$738,216	$752,165	$853,825
Other Government of Alberta	$45,804	$46,010	$45,802
Federal Government and/or First Nations	$673,291	$687,645	$670,789
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$2,250	$2,200	$2,250
Instruction resource fees	$276,125	$269,240	$272,290
Transportation fees	$0	$0	$0
Other sales and services	$120,034	$67,360	$104,542
Investment income	$151,416	$140,000	$173,935
Gifts and donations	$15,068	$0	$62,704
Rentals of facilities	$82,288	$65,000	$78,359
Net school generated funds	$234,137	$675,000	$229,639
Gains on disposal of capital assets	$0	$0	$2,398
Amortization of capital allocations	$808,324	$636,275	$809,146
Total Revenues	$29,620,255	$29,249,305	$29,101,425
EXPENSES			
Certificated salaries	$14,616,132	$14,056,580	$13,574,147
Certificated benefits	$1,607,565	$1,497,550	$1,346,051
Uncertificated salaries and wages	$5,399,126	$5,654,580	$5,289,070
Uncertificated benefits	$951,360	$822,660	$799,353
Services, contracts and supplies	$5,140,972	$4,955,950	$5,460,203
Net school generated funds	$234,137	$675,000	$229,639
Capital and debt services			
Amortization of capital assets			
Supported	$808,324	$636,275	$809,146
Unsupported	$358,213	$358,400	$330,382
Total Amortization of capital assets	$1,166,537	$994,675	$1,139,528
Interest on capital debt			
Supported	$738,216	$752,165	$814,110
Unsupported	$0	$0	$0
Total Interest on capital debt	$738,216	$752,165	$814,110
Other interest charges	$1,685	$3,000	$2,515
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$29,855,729	$29,412,160	$28,654,616
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($235,474)	($162,855)	$446,809
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$5,419
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($235,474)	($162,855)	$452,228

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2045

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($235,474)	$452,228
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($808,324)	($809,146)
Total amortization expense	$1,166,537	$1,139,528
Gains on disposal of capital assets	$0	($2,398)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($219,265)	$269,548
Prepaids and other current assets	$1,078	($2,596)
Payables and accrued liabilities	($983,364)	$1,006,331
Deferred revenue	($651,219)	($334,704)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,730,031)	$1,718,791
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,347,788)	($1,529,551)
Equipment	($140,196)	($121,230)
Vehicles	($251,225)	($279,975)
Net proceeds from disposal of capital assets	$0	$5,874
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($1,739,209)	($1,924,882)
C. FINANCING ACTIVITIES		
Capital allocations received	$20,000	$1,684,553
Issue of long term debt	$0	$0
Repayment of long term debt	($748,775)	($663,013)
Add back: supported portion	$613,776	$663,013
Other (describe) Debt Transfer to Christ the Redeemer	$135,000	$0
Total sources (uses) from Financing activities	$20,000	$1,684,553
Net sources (uses) of cash equivalents* during year	($3,449,240)	$1,478,462
Cash Equivalents at the beginning of the year	$8,635,753	$7,157,291
Cash Equivalents at the end of the year	$5,186,513	$8,635,753

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 2045

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,426,435	$3,608,057	$843,521	$2,974,857	$2,092,790	$0	$97,250	$0	$0	$325,701	$892	$275,213	$183,011	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,426,435	$3,608,057	$843,521	$2,974,857	$2,092,790	$0	$97,250	$0	$0	$325,701	$892	$275,213	$183,011	$0	$0
Surplus(def) of revenue over expenses	($235,474)		($235,474)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$391,421	($391,421)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,166,537)	$1,166,537												
Amortization of capital allocations		$808,324	($808,324)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$213,870	($213,870)	($155,717)		($1,541)			($42,321)		($14,291)		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$7,190,961	$3,641,265	$788,709	$2,760,987	$1,937,073	$0	$95,709	$0	$0	$283,380	$892	$260,922	$183,011	$0	$0

School Jurisdiction Code: 2045

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$1,664,987	$4,441,776
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$1,664,987	$4,441,776
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$20,000	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$613,776
Expended capital allocations - current year		($1,347,788)	$1,347,788
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			($135,000)
Capital allocations amortized to revenue			$808,324
Balance at August 31, 2003		$337,199	$5,730,016

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The School Division delivers education programs under the authority of the School Act, Chapter S - 3, Statutes of Alberta, January 1, 2002 and is non-taxable under the Income Tax Act.

The School Division receives block allocations for instruction, support and capital purposes under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Temporary investments
Temporary investments are valued at cost. Accrued interest is recorded as it is earned.

c) Prepaid expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepared expenses. Certain consulting expenses fall into this category.

d) Inventory
Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the basis of the most recent invoice.

2. Summary of significant accounting policies (continued)

e) Capital assets
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight-line basis over the assets' estimated useful lives using the following annual rates:

Buildings	25 to 40 years
Equipment and furnishings	5 to 10 years
Vehicles and buses	10 to 13 years

There is no amortization charged in the year of acquisition.

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

f) School generated funds
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

g) Vacation pay
Vacation pay is accrued in the period in which the employee earns the benefit.

h) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Grasslands School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $117,972 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

i) Contributed services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

j) Financial instruments
The School Division's financial instruments consist of cash and temporary investments, accounts receivable, trust assets, accounts payable, accrued liabilities, trust liabilities and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carry values. The School Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

2. Summary of significant accounting policies (continued)

k) Operating and capital reserves
Reserves are established at the discretion of the Board of Trustees of the School Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Accounts receivable

	2003	2002
Province of Alberta	$ 960,393	$ 694,864
Federal Government	92,967	195,198
Other	108,806	52,839
	$ 1,162,166	$ 942,901

4. Bank indebtedness

The School Division has negotiated a line of credit in the amount of $2,000,000 that bears interest at the bank prime rate minus .25%. This line of credit is secured by a borrowing bylaw and a promissory note. There was no balance outstanding on the line of credit at August 31, 2003.

5. Accounts payable and liabilities

	2003	2002
Province of Alberta	$ 614,123	$ 606,310
Federal Government	-	3,048
Other Trade Payables and Accrued Liabilities	993,973	1,982,102
	$ 1,608,096	$ 2,591,460

6. Deferred revenue

	2003	2002
One-time funding for ESL project – delayed start, final year	$ 88,791	$ 245,996
2002-2003 one-time equivalent to 3% increase in grants	-	77,298
2003 budget one-time grant for transportation	25,400	-
Alberta initiative for school improvement	50,068	51,266
Block BQRP/Modernization funding	731,963	1,132,255
Other	57,207	98,853
	$ 954,449	$ 1,605,668

7. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the School Division are recorded as contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized on a basis consistent with the capital asset that the allocation funded.

8. Trust assets and liabilities

These balances represent cash that is held in trust by the School Division for the following areas:

		2003	2002
Deferred salary leave plan	$	62,500 $	45,150
Scholarship trusts		173,517	195,186
Student health initiative trust (SHI Banker Board)		115,745	65,851
	$	351,762 $	306,187

9. Long-term debt

a) Debenture debt - supported
The debenture debt bears interest at rates varying between 7.625% and 11.625%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

		Principal	Interest	Total
2003-2004	$	606,676 $	681,230 $	1,287,906
2004-2005		606,676	624,900	1,231,576
2005-2006		606,676	568,571	1,175,247
2006-2007		568,337	512,242	1,080,579
2007-2008		489,192	460,262	949,454
2008 to maturity		4,683,530	2,440,475	7,124,005
	$	7,561,087 $	5,287,680 $	12,848,767

b) Capital leases - unsupported
There are currently no capital leases held by the School Division.

10. Unamortized capital allocations

Unamortized capital allocations (UCA) represents the School Division's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

11. Commitment

Building projects
The School Division is committed to further project expenditures for the modernization of the Rosemary School of approximately $100,000.

12. Economic dependence on related third party

The Grasslands School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

13. Budget amounts

The budget was prepared by the School Division management with Board of Trustees approval. It is presented for information purposes only and has not been audited.

14. Comparative figures

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

School Jurisdiction Code: 2045

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$18,833,821	$1,502,613	$17,331,208						
(2) Support block	$2,896,718				$1,689,588			$1,207,130	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$458,959	$15,953	$443,006						
(5) Student Health Initiative (SHI)	$238,114	$0	$238,114						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$850,000	$29,200	$802,680					$12,000	$6,120
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$157,206	$0	$157,206	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$23,434,817	$1,547,766	$18,972,214	$0	$1,689,588			$1,219,130	$6,120
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$456,208	$0	$0	$456,208					
(13) Operations & Maintenance support	$2,378,093			$2,378,093					
(14) Operations & Maintenance support (One-Time)	$204,184			$204,184					
(15) **Total Alberta Infrastructure Revenue**	$3,038,485	$0	$0	$3,038,485					
(16) **Alberta Finance**	$738,216			$738,216	$0			$0	$0
(17) **Other - Government of Alberta**	$45,804	$0	$0	$4,800	$0			$0	$41,004
(18) **Federal Government and/or First Nations**	$673,291	$17,507	$567,749	$49,604	$6,566			$31,865	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$2,250	$0	$0	$2,250	$0			$0	$0
(22) **Instruction resource fees**	$276,125	$6,176	$269,949						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$120,034	$0	$111,239	$5,319	$120			$3,356	$0
(25) **Investment income**	$151,416	$0	$91,916	$5,000	$0			$54,500	$0
(26) **Gifts and donations**	$15,068	$0	$15,068	$0	$0				$0
(27) **Rentals of facilities**	$82,288		$12,110	$70,178	$0			$0	$0
(28) **Net school generated funds**	$234,137		$234,137					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$808,324		$0	$808,324	$0				$0
(31) **TOTAL REVENUES**	$29,620,255	$1,571,449	$20,274,382	$4,722,176	$1,696,274			$1,308,851	$47,124
EXPENSES									
(32) **Certificated salaries**	$14,616,132	$423,532	$13,677,010				$404,363	$404,363	$111,226
(33) **Certificated benefits**	$1,607,565	$46,480	$1,522,873				$29,167	$29,167	$9,045
(34) **Uncertificated salaries and wages**	$5,399,128	$476,148	$2,492,246	$1,126,700	$824,780	$50,336	$420,590	$470,926	$8,328
(35) **Uncertificated benefits**	$951,360	$98,725	$442,951	$213,327	$100,127	$8,156	$86,660	$94,816	$1,414
(36) **SUB - TOTAL**	$22,574,183	$1,044,885	$18,135,080	$1,340,027	$924,907	$58,492	$940,780	$999,272	$130,013
(37) **Services, contracts & supplies**	$5,140,971	$273,265	$2,075,471	$1,778,604	$611,155	$55,544	$303,010	$358,554	$43,922
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$196,088	$616	($34,134)	($28,653)		($7,105)	($7,105)	($126,811)
(39) **Net school generated funds**	$234,137		$234,137						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$808,324	$0	$0	$808,324	$0		$0	$0	$0
(41) Unsupported	$358,213	$0	$106,397	$61,338	$169,365	$0	$21,113	$21,113	$0
(42) Total Amortization	$1,166,537	$0	$106,397	$869,662	$169,365	$0	$21,113	$21,113	$0
Interest on capital debt									
(43) Supported	$738,216	$0	$0	$738,216	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$1,685	$0	$0	$0	$0		$1,685	$1,685	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$29,855,729	$1,514,238	$20,551,701	$4,692,375	$1,676,774	$114,036	$1,259,483	$1,373,519	$47,124
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($235,474)	$57,213	($277,319)	$29,801	$19,500			($64,668)	($0)
Applicable student numbers/FTE equivalent	3,581.0	256	3,453.0	3,581.0	1,437			3,581.0	
AVERAGE PROGRAM COSTS per student	$8,337	$5,915	$5,952	$1,310	$1,167			$384	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,102,748	$1,266,879	$0	$673,079	$507,036	$127,268	$0	$13,677,010
Certificated benefits	$1,123,413	$116,099	$0	$71,415	$49,087	$162,859	$0	$1,522,873
Uncertificated salaries and wages	$598,758	$721,441	$0	$176,109	$963,415	$13,524	$19,000	$2,492,246
Uncertificated benefits	$122,204	$126,993	$0	$26,834	$141,683	$23,237	$2,000	$442,951
SUB - TOTAL REMUNERATION	$12,947,123	$2,231,412	$0	$947,437	$1,661,220	$326,888	$21,000	$18,135,080
Services, contracts & supplies	$1,238,415	$366,356	$0	$46,881	$58,460	$148,244	$217,115	$2,075,471
Cost recoveries & transfers	($21,810)	$7,105	$0	$7,133		$8,188		$616
Net school generated funds	$234,137							$234,137
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$106,397	$0	$0					$106,397
Total Amortization	$106,397	$0	$0					$106,397
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$14,504,261	$2,604,873	$0	$1,001,451	$1,719,680	$483,320	$238,115	$20,551,701
FTE Certificated				10.2	7.6			
FTE Uncertificated				10.2	55.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$14,501,664	$1,641,006	$1,032,219	$0	$17,174,889	$15,389,837	$1,785,053
School Admin & Instruction Support Expenses						$2,604,873	($2,604,873)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$14,501,664	$1,641,006	$1,032,219	$0	$17,174,889	$17,994,710	($819,820)
Sub-Programs & Initiatives							
Severely Disabled	$1,479,232		$0		$1,479,232	$1,719,680	($240,448)
English as a Second Language	$148,429				$148,429	$184,663	($36,234)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$49,412		$0		$49,412	$43,399	$6,013
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$764,111				$764,111		$764,111
Growth & Density	$4,504				$4,504		$4,504
Teacher Assistants Program	$70,303				$70,303	$129,846	($59,543)
Early Literacy Initiative (K-2)	$134,249				$134,249	$164,652	($30,403)
Learning Resources Credit & Resources for the Classroom	$36,182	$0	$269,949		$306,131	$139,604	$166,527
Technology Integration	$137,322		$0		$137,322	$174,173	($36,851)
French Language Program & Francisation (all jurisdictions)	$3,558		$0		$3,558	$564	$2,994
Home Education	$2,242		$0		$2,242	$410	$1,832
Total Sub-Programs & Initiatives	$2,829,544		$269,949		$3,099,493	$2,556,991	$542,501
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$17,331,208	$1,641,006	$1,302,168	$0	$20,274,382	$20,551,701	($277,319)

School Jurisdiction Code: 2045

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,502,613	$17,331,208		$1,689,588	$1,207,130	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$18,833,821* = *$376,676* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 2045

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$18,696,499
Support Block - Transportation	$1,689,588
SUBTOTAL	$20,386,086

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,378,093
Teacher Salary Enhancement	$850,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$45,804
Federal government/First Nations	$673,291
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$2,250
Other sales and services	$120,034
Interest on investments	$151,416
Rentals of facilities	$82,288
Gains on disposal of capital assets	$0
Amortization of capital allocations	$808,324
School generated funds (Schedule E)	$1,062,381
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$26,559,968**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.30%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,407,678
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,407,678**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,373,519
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$42,321
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,331,198
Maximum Expense Limit for Board & System Administration (Step 3)	$1,407,678
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$76,480

School Jurisdiction Code: 2045

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$377,390
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,062,381	
Less: SGF - related cost recoveries (Note 3)	$832,206	
- capitalized at the District level (Note 4)	$0	
Net Total	$230,175	
Plus: Donations Received (Note 5)	$75,440	
Equals: Net Additions to SGF		$305,615
Net SGF Available for discretionary spending		$683,005
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$234,137
Unexpended SGF - Closing Balance August 31, 2003		$448,868

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2045

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$671,013	$353,135	$0	$0	$102,552	$1,126,700		$1,126,700
Uncertificated benefits	$129,021	$65,361	$0	$0	$18,945	$213,327		$213,327
Sub-total Remuneration	$800,034	$418,496	$0	$0	$121,497	$1,340,027		$1,340,027
Contracted Services	$0	$84,541	$0	$456,208	$13,328	$554,077		$554,077
Supplies	$82,857	$220,456	$0	$0	$0	$303,313		$303,313
Electricity			$437,591			$437,591		$437,591
Natural Gas/Heating Fuel			$300,542			$300,542		$300,542
Sewer and Water			$42,252			$42,252		$42,252
Telecommunications			$11,236			$11,236		$11,236
Insurance					$129,593	$129,593		$129,593
Amortization of capital assets								
Supported							$808,324	$808,324
Unsupported						$61,338		$61,338
Total Amortization						$61,338	$808,324	$869,662
Interest on capital debt								
Supported							$738,216	$738,216
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($34,134)		($34,134)
TOTAL EXPENSES	$882,891	$723,493	$791,621	$456,208	$264,418	$3,145,835	$1,546,540	$4,692,375
SQUARE METRES								
School Buildings								46,098.0
Non School Buildings								3,786.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 2045

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Kinke, Gordon	1.0	$10,443	$2,591	$0	$0	$0	$13,034	$4,840
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Black, Robert	1.0	$8,615	$0	$0	$0	$0	$8,615	$880
Name	Godfrey, Jo-Lee	1.0	$10,528	$217	$0	$0	$0	$10,745	$5,430
Name	Pickett, Lee	1.0	$6,837	$2,555	$0	$0	$0	$9,392	$2,416
Name	Roth, Shawn	1.0	$7,298	$188	$0	$0	$0	$7,486	$479
Name	Tateson, Max	1.0	$6,615	$2,705	$0	$0	$0	$9,320	$1,168
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*6.0*	*$50,336*	*$8,256*	*$0*	*$0*	*$0*	*$58,592*	*$15,213*
Superintendent	Bellamy, Al	1.0	$105,867	$9,052	$0	$0	$70,578	$185,497	$0
Superintendent	Cosh, Cal	0.1	$9,583	$1,267	$10,000	$0	$0	$20,850	$0
Secretary/Treasurer	Woods, Lee Ann	1.0	$90,000	$14,416	$0	$0	$0	$104,416	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		210.0	$14,342,435	$1,447,050	$0	$0	$193,394	$15,982,879	
Uncertificated Salaries & Wages		293.0	$5,275,645	$946,305	$0	$0	$0	$6,221,950	
TOTALS			**$19,873,865**	**$2,426,346**	**$10,000**	**$0**	**$263,972**	**$22,574,183**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 2045

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 6040

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

The Greater North Central Francophone Education Region No. 2
Name of School Jurisdiction

301, 8627 - 91 Street, Edmonton, Alberta, T6C 3N1
Mailing Address

Telephone: (780) 468-6440 and Fax: (780) 440-1631
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules The Greater North Central Francophone Education Region No. 2 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Claude Duret	"Original Signed By"
Name	Signature

SUPERINTENDENT

Henri Lemire	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Robert Nantel	"Original Signed By"
Name	Signature

18-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 8040

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Auditors' Report

To the Board of Trustees,
The Greater North Central Francophone
Education Region No. 2

We have audited the statement of financial position of **The Greater North Central Francophone Education Region No. 2** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

King & Company

Edmonton, AB
October 31, 2003

KING & COMPANY,
Chartered Accountants

School Jurisdiction Code: 8040

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,944,535	$6,188,435
Accounts receivable (net after allowances)		$991,752	$700,789
Prepaid expenses		$288,220	$304,349
Other current assets		$0	$0
Total current assets		$6,224,507	$7,193,573
School generated assets		$260,744	$182,521
Trust assets		$82,670	$59,417
Long term accounts receivable		$0	$0
Capital assets			
Land		$3,884,000	$3,884,000
Buildings	$26,483,026		
Less: accumulated amortization	($6,755,826)	$19,727,200	$18,026,049
Equipment	$1,597,142		
Less: accumulated amortization	($670,219)	$926,923	$722,244
Vehicles	$98,696		
Less: accumulated amortization	($64,074)	$34,622	$69,365
Total capital assets		$24,572,745	$22,701,658
TOTAL ASSETS		$31,140,666	$30,137,169
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,639,555	$1,333,391
Deferred revenue		$698,738	$688,818
Deferred capital allocations		$315,422	$2,367,933
Current portion of all long term debt		$41,248	$52,577
Total current liabilities		$3,694,963	$4,442,719
School generated liabilities		$260,744	$182,521
Trust liabilities		$82,670	$59,417
Employee future benefits liability		$15,000	$0
Long term debt			
Supported: Debentures and other supported debt		$130,112	$172,689
Less: Current portion of supported debt		($41,248)	($52,577)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$19,991,373	$18,079,544
Total long term liabilities		$20,438,651	$18,441,594
TOTAL LIABILITIES		$24,133,614	$22,884,313
NET ASSETS			
Unrestricted net assets		$2,227,929	$2,398,782
Operating Reserves		$157,863	$174,650
Accumulated Operating Surplus (Deficit)		$2,385,792	$2,573,432
Investment in capital assets		$4,451,260	$4,449,424
Capital Reserves		$170,000	$230,000
Total Capital Funds		$4,621,260	$4,679,424
Total net assets		$7,007,052	$7,252,856
TOTAL LIABILITIES AND NET ASSETS		$31,140,666	$30,137,169

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 8040

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$13,749,371	$13,094,907	$13,115,125
Alberta Infrastructure	$1,697,631	$1,798,375	$1,049,002
Alberta Finance	$71,594	$22,375	$20,831
Other Government of Alberta	$5,600	$0	$2,800
Federal Government and/or First Nations	$236,565	$216,105	$277,113
Other Alberta school authorities	$126,716	$60,500	$86,244
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$241,400	$37,579	$358,431
Transportation fees	$0	$0	$0
Other sales and services	$37,474	$9,000	$112,675
Investment income	$124,242	$75,000	$106,446
Gifts and donations	$1,249	$0	$3,391
Rentals of facilities	$50,344	$18,658	$29,688
Net school generated funds	$197,390	$370,500	$187,344
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,117,779	$917,792	$984,071
Total Revenues	$17,657,355	$16,620,791	$16,333,161
EXPENSES			
Certificated salaries	$7,375,954	$6,988,762	$6,504,987
Certificated benefits	$811,010	$737,041	$698,599
Uncertificated salaries and wages	$2,009,576	$1,860,217	$1,702,994
Uncertificated benefits	$344,256	$340,454	$278,823
Services, contracts and supplies	$5,883,613	$5,477,830	$5,574,967
Net school generated funds	$197,390	$370,500	$187,344
Capital and debt services			
Amortization of capital assets			
Supported	$1,117,779	$917,792	$984,071
Unsupported	$142,099	$75,069	$36,077
Total Amortization of capital assets	$1,259,878	$992,861	$1,020,148
Interest on capital debt			
Supported	$21,241	$22,375	$20,831
Unsupported	$0	$0	$0
Total Interest on capital debt	$21,241	$22,375	$20,831
Other interest charges	$241	$0	$363
Losses on disposal of capital assets	$0	$0	$26,354
Total Expenses	$17,903,159	$16,790,040	$16,015,430
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($245,804)	($169,249)	$317,731
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($245,804)	($169,249)	$317,731

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 8040

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($245,804)	$317,731
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,117,779)	($984,071)
Total amortization expense	$1,259,878	$1,020,148
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$26,354
Changes in accrued accounts:		
Accounts receivable	($290,963)	$105,756
Prepaids and other current assets	$16,129	($45,776)
Payables and accrued liabilities	$1,306,164	($2,070,596)
Deferred revenue	$9,920	$88,468
Employee future benefit expense (recovery)	$15,000	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$952,545	($1,541,986)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,663,323)	($6,696,839)
Equipment	($467,642)	($493,618)
Vehicles	$0	($33,076)
Net proceeds from disposal of capital assets		$23,818
Other (describe)		$0
Total sources (uses) of cash from investing activities	($3,130,965)	($7,199,715)
C. FINANCING ACTIVITIES		
Capital allocations received	$934,520	$4,989,262
Issue of long term debt	$0	$0
Repayment of long term debt	($42,577)	($58,189)
Add back: supported portion	$42,577	$58,189
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$934,520	$4,989,262
Net sources (uses) of cash equivalents* during year	($1,243,900)	($3,752,439)
Cash Equivalents at the beginning of the year	$6,188,435	$9,940,874
Cash Equivalents at the end of the year	$4,944,535	$6,188,435

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 8040

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,252,856	$4,449,424	$2,398,782	$404,650	$54,650	$230,000	$120,000	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,252,856	$4,449,424	$2,398,782	$404,650	$54,650	$230,000	$120,000	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($245,804)		($245,804)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$143,935	($83,935)	($60,000)	$0	($60,000)	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,259,878)	$1,259,878												
Amortization of capital allocations		$1,117,779	($1,117,779)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$16,787	($16,787)	($16,787)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0					$0		$0		$0		$0
Balance at August 31, 2003	$7,007,052	$4,451,260	$2,227,929	$327,863	$37,863	$170,000	$120,000	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 8040

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$2,367,933	$18,079,544
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$2,367,933	$18,079,544
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$904,039	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$30,481	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$42,577
Expended capital allocations - current year		($2,987,031)	$2,987,031
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,117,779
Balance at August 31, 2003		$315,422	$19,991,373

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The school jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the school jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles and buses	33⅓%
Equipment and furnishings	20% and 33⅓%

Notes to the Financial Statements

For the Year Ended August 31, 2003

2. ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the school division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $11,741 for the year ended August 31, 2003. At December 31, 2002 the Local Authorities Pension Plan reported an actuarial deficiency of $444,980.00 (2001 surplus of $634,960.00).

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

2. ACCOUNTING POLICIES (Continued)

Financial Instruments

The school jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the school jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The school jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the school jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The school jurisdiction accrues its obligation under employee future benefit plans and expenses the related cost. As at August 31, 2003, the recorded obligation is $15,000 (2002 - nil). The total expense recorded in the financial statements is $15,000 (2002 - nil).

3. ACCOUNTS RECEIVABLE

	2003	2002
Federal government	$535,670	$149,803
Province of Alberta	375,415	444,191
Other school jurisdictions	66,634	47,970
Other	14,033	58,825
	$991,752	$700,789

4. BANK INDEBTEDNESS

The school jurisdiction has negotiated a line of credit in the amount of $100,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the school jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

5. DEFERRED REVENUE

	2003	2002
Block BQRP funding	$365,524	$367,256
Subsequent year funding	212,622	83,708
One-time modernization grants	120,592	164,868
Energy funding	-	50,353
Other	-	22,633
Total	$698,738	$688,818

6. LONG-TERM DEBT

The school jurisdiction has the following debentures outstanding for the financing of construction of school buildings having a carrying value of $1,043,125.

	2003	2002
Alberta Municipal Finance Corporation -		
7.25% due October 1, 2003	$ 16,419	$ 32,838
10.5% due August 1, 2004	10,000	-
11.125% due October 15, 2008	656	765
11.625% due April 15, 2010	103,037	117,757
7.75%	-	21,329
	130,112	172,689
Due within one year	41,248	52,577
	$ 88,864	$120,112

Principal repayments required in each of the next five fiscal years are as follows:

2004	$ 41,248
2005	14,829
2006	14,829
2007	14,829
2008	14,829

7. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the school jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

8. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocation (UCA) represents the school jurisdiction's net investment in capital assets (other than land and vehicles) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

9. RESTRICTIONS ON NET ASSETS

The Board of Trustees have internally restricted unrestricted net assets for internal activities which are expected to be carried on by the Education Region itself. These internally restricted amounts are not available for other purposes without the approval of the Board of Trustees.

10. COMMITMENTS

Building Projects

The school jurisdiction is committed to further capital expenditures of approximately $1,000,000 for the addition and modernization of two schools. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

Office Lease

The school jurisdiction is committed until June 30, 2005 and December 31, 2006 under operating leases for premises to annual rent of $59,643 plus occupancy expenses as defined in the leases.

11. ECONOMIC DEPENDENCE

The school jurisdiction's primary source of income is from the Alberta Government. It's ability to continue viable operations is dependent on this funding.

12. BUDGET AMOUNTS

The budget was prepared by school jurisdiction management with Board of Trustees approval given on June 19, 2002. It is presented for information purposes only and has not been audited.

School Jurisdiction Code: 8040

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$9,608,314	$498,072	$9,110,242						
(2) Support block	$2,977,841				$2,216,497			$761,344	
(3) Instruction & support block reallocations	$0	$58,730	$77,031		($265,618)			$0	$129,857
(4) Alberta Initiative for School Improvement (AISI)	$181,096	$0	$181,096						
(5) Student Health Initiative (SHI)	$22,420	$0	$22,420						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$392,000	$31,360	$352,800					$7,840	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$466,717								$466,717
(10) Other Alberta Learning revenues	$100,983	$1,414	$32,778		$53,716			$0	$13,075
(11) **Total Alberta Learning Revenue**	$13,749,371	$589,576	$9,776,367	$0	$2,004,595			$769,184	$609,649
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$312,420	$0	$0	$312,420					
(13) Operations & Maintenance support	$1,343,674			$1,343,674					
(14) Operations & Maintenance support (One-Time)	$41,537			$41,537					
(15) **Total Alberta Infrastructure Revenue**	$1,697,631	$0	$0	$1,697,631					
(16) **Alberta Finance**	$71,594			$71,594	$0			$0	$0
(17) **Other - Government of Alberta**	$5,600	$0	$0	$5,600	$0			$0	$0
(18) **Federal Government and/or First Nations**	$236,565	$16,889	$219,676	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$126,716	$5,263	$28,260	$7,500	$480			$0	$85,213
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$241,400	$14,280	$227,120						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$37,474	$0	$25,907	$2,987	$0			$3,576	$5,004
(25) **Investment income**	$124,242	$4,662	$78,278	$13,850	$17,013			$9,642	$2,797
(26) **Gifts and donations**	$1,249	$0	$1,249	$0	$0				$0
(27) **Rentals of facilities**	$50,344		$27,640	$22,704	$0			$0	$0
(28) **Net school generated funds**	$197,390		$197,390					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,117,779		$66,799	$1,050,980	$0				$0
(31) **TOTAL REVENUES**	$17,657,355	$630,670	$10,646,686	$2,872,846	$2,022,088			$782,402	$702,663
EXPENSES									
(32) **Certificated salaries**	$7,375,954	$553,692	$6,834,803				$117,314	$117,314	$70,145
(33) **Certificated benefits**	$811,010	$61,855	$717,182				$24,327	$24,327	$7,646
(34) **Uncertificated salaries and wages**	$2,009,576	$70,967	$1,036,620	$450,457	$47,955	$30,616	$281,499	$312,109	$91,468
(35) **Uncertificated benefits**	$344,258	$11,962	$186,088	$70,414	$9,695	$420	$50,986	$51,406	$14,691
(36) **SUB - TOTAL**	$10,540,798	$698,476	$8,574,693	$520,871	$57,650	$31,036	$474,126	$505,156	$183,950
(37) **Services, contracts & supplies**	$5,883,613	$11,229	$1,720,412	$1,356,633	$1,964,438	$85,489	$250,746	$336,235	$494,666
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	($24,000)	($24,000)	$24,000
(39) **Net school generated funds**	$197,390		$197,390						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,117,779	$0	$66,799	$1,050,980	$0		$0	$0	$0
(41) Unsupported	$142,099	$0	$87,345	$22,706	$0	$0	$32,048	$32,048	$0
(42) Total Amortization	$1,259,878	$0	$154,144	$1,073,686	$0	$0	$32,048	$32,048	$0
Interest on capital debt									
(43) Supported	$21,241	$0	$0	$21,241	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$241	$0	$47	$0	$0		$147	$147	$47
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$17,903,159	$709,705	$10,646,686	$2,972,431	$2,022,088	$116,519	$733,067	$849,586	$702,663
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($245,804)	($79,035)	$0	($99,585)	$0			($67,184)	$0
Applicable student numbers/FTE equivalent	1,682.0	168	1,514.0	1,682.0	1,519			1,682.0	
AVERAGE PROGRAM COSTS per student	$10,644	$4,224	$7,032	$1,767	$1,331			$505	

School Jurisdiction Code: 8040

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$5,005,567	$832,870	$0	$635,224	$47,849	$113,293	$0	$6,634,803
Certificated benefits	$553,510	$80,710	$0	$69,730	$4,989	$8,243	$0	$717,182
Uncertificated salaries and wages	$356,445	$315,680	$0	$21,665	$271,831	$18,021	$52,978	$1,036,620
Uncertificated benefits	$51,841	$64,617	$0	$3,283	$57,487	$3,666	$5,194	$186,088
SUB - TOTAL REMUNERATION	$5,967,363	$1,293,877	$0	$729,902	$382,156	$143,223	$58,172	$8,574,693
Services, contracts & supplies	$1,033,224	$547,179	$0	$48,733	$39,337	$43,947	$7,992	$1,720,412
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$197,390							$197,390
Amortization of capital assets								
Supported	$56,244	$10,555	$0					$66,799
Unsupported	$60,721	$26,624	$0					$87,345
Total Amortization	$116,965	$37,179	$0					$154,144
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$47						$47
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$7,314,942	$1,878,282	$0	$778,635	$421,493	$187,170	$66,164	$10,646,686
FTE Certificated				9.6	0.8			
FTE Uncertificated				0.8	10.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$6,690,244	$588,645	$643,199	$77,031	$7,999,119	$7,367,205	$631,914
School Admin & Instruction Support Expenses						$1,878,282	($1,878,282)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$6,690,244	$588,645	$643,199	$77,031	$7,999,119	$9,245,487	($1,246,368)
Sub-Programs & Initiatives							
Severely Disabled	$223,683		$0		$223,683	$421,493	($197,810)
English as a Second Language	$86,640				$86,640	$169,548	($82,908)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,650,117				$1,650,117		$1,650,117
Growth & Density	$77,740				$77,740		$77,740
Teacher Assistants Program	$39,234				$39,234	$40,369	($1,135)
Early Literacy Initiative (K-2)	$80,313				$80,313	$122,680	($42,367)
Learning Resources Credit & Resources for the Classroom	$13,188	$449	$227,120		$240,757	$414,381	($173,624)
Technology Integration	$64,973		$0		$64,973	$83,873	($18,900)
French Language Program & Francisation (all jurisdictions)	$184,110		$0		$184,110	$148,855	$35,255
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$2,419,998		$227,120		$2,647,567	$1,401,199	$1,246,368
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$9,110,242	$589,094	$870,319	$77,031	$10,646,686	$10,646,686	$0

School Jurisdiction Code: 8040

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$498,072	$9,110,242		$2,216,497	$761,344	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		($129,857)				$129,857
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$9,608,314* = *$192,166* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$265,618		($265,618)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$58,730	($58,730)				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$58,730	$77,031		($265,618)	$0	$129,857

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 8040

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$9,543,341
Support Block - Transportation	$2,216,497
SUBTOTAL	$11,759,838
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,343,674
Teacher Salary Enhancement	$392,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$5,600
Federal government/First Nations	$236,565
Other Alberta school authorities	$126,716
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$37,474
Interest on investments	$124,242
Rentals of facilities	$50,344
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,117,779
School generated funds (Schedule E)	$311,368
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$15,505,600**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$930,336
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$930,336**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$849,586
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$849,586
Maximum Expense Limit for Board & System Administration (Step 3)	$930,336
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$80,750

School Jurisdiction Code: 8040

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$182,521
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$311,368	
Less: SGF - related cost recoveries (Note 3)	$49,462	
- capitalized at the District level (Note 4)	$0	
Net Total	$261,906	
Plus: Donations Received (Note 5)	$13,707	
Equals: Net Additions to SGF		$275,613
Net SGF Available for discretionary spending		$458,134
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$197,390
Unexpended SGF - Closing Balance August 31, 2003		$260,744

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 8040

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$444,396	$0	$0	$773	$5,288	$450,457		$450,457
Uncertificated benefits	$70,085	$0	$0	$0	$329	$70,414		$70,414
Sub-total Remuneration	$514,481	$0	$0	$773	$5,617	$520,871		$520,871
Contracted Services	$161,767	$136,642	$41,421	$294,056	$103,864	$737,750		$737,750
Supplies	$80,724	$24,284	$0	$37,030	$319	$142,357		$142,357
Electricity			$263,337			$263,337		$263,337
Natural Gas/Heating Fuel			$160,190			$160,190		$160,190
Sewer and Water			$25,456			$25,456		$25,456
Telecommunications			$1,408			$1,408		$1,408
Insurance					$26,135	$26,135		$26,135
Amortization of capital assets								
Supported							$1,050,980	$1,050,980
Unsupported						$22,706		$22,706
Total Amortization						$22,706	$1,050,980	$1,073,686
Interest on capital debt								
Supported							$21,241	$21,241
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$756,972	$160,926	$491,812	$331,859	$135,935	$1,900,210	$1,072,221	$2,972,431
SQUARE METRES								
School Buildings								29,158.5
Non School Buildings								729.8

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 8040

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Pierre Desrochers	0.3	$0	$0	$0	$0	$0	$0	$51
Name	Claude Duret	0.8	$4,655	$60	$0	$0	$0	$4,715	$6,297
Other Board Members:									
Name	Léo Parent	1.0	$2,845	$60	$0	$0	$0	$2,905	$7,845
Name	Claude Duret	0.3	$1,205	$0	$0	$0	$0	$1,205	$878
Name	Martin Blanchet	1.0	$5,085	$60	$0	$0	$0	$5,145	$3,175
Name	Paul Dubé	1.0	$3,910	$60	$0	$0	$0	$3,970	$212
Name	Nicole Burrows	1.0	$3,180	$60	$0	$0	$0	$3,240	$1,115
Name	Eric Lavoie	1.0	$4,400	$60	$0	$0	$0	$4,460	$965
Name	Pierre Desrochers	0.8	$5,330	$60	$0	$0	$0	$5,390	$50
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$30,610*	*$420*	*$0*	*$0*	*$0*	*$31,030*	*$20,588*
Superintendent	Henri Lemire	1.0	$117,314	$24,327	$0	$0	$0	$141,641	$21,124
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Robert Nantel	1.0	$97,228	$9,782	$0	$0	$0	$107,010	$7,974
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		113.7	$7,258,639	$786,683	$0	$0	$0	$8,045,322	
Uncertificated Salaries & Wages		58.3	$1,881,739	$334,054	$0	$0	$0	$2,215,793	
TOTALS			$9,385,530	$1,155,266	$0	$0	$0	$10,540,796	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 8040

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 98

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater Southern Public Francophone Education Region No.4
Name of School Jurisdiction

#220, 4800 Richard Road SW, Calgary Alberta T3E 6L1
Mailing Address

(403) 686-6998 (tel) (403) 686-2914 (fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Greater Southern Public Francophone Education Region No 4 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Nicole Buret	"Original signed by"
Name	Signature

SUPERINTENDENT

Brian Callaghan	"Original signed by"
Name	Signature

SECRETARY TREASURER OR TREASURER

Yvan Beaubien	"Original signed by"
Name	Signature

December 2, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
9th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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JMD Joly, McCarthy & Dion
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

TO THE BOARD OF TRUSTEES

Greater Southern Public Francophone Education Region No. 4

We have audited the statement of financial position of the Greater Southern Public Francophone Education Region No. 4 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

ST. PAUL, ALBERTA
November 28, 2003

Joly McCarthy and Dion
CHARTERED ACCOUNTANTS

School Jurisdiction Code: 98

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$383,933	$1,753,457
Accounts receivable (net after allowances)		$1,690,721	$567,402
Prepaid expenses		$11,732	$11,929
Other current assets		$0	$0
Total current assets		$2,086,386	$2,332,788
School generated assets		$8,695	$27,375
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$113,560	$0
Buildings	$5,863,472		
Less: accumulated amortization	$0	$5,863,472	$4,783,370
Equipment	$70,117		
Less: accumulated amortization	($5,795)	$64,322	$12,818
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$6,041,354	$4,796,188
TOTAL ASSETS		$8,136,435	$7,156,351
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$773,021	$779,950
Deferred revenue		$733,115	$381,029
Deferred capital allocations		$50,054	$816,583
Current portion of all long term debt		$0	$0
Total current liabilities		$1,556,190	$1,977,562
School generated liabilities		$8,695	$27,375
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$5,919,715	$4,785,415
Total long term liabilities		$5,928,410	$4,812,790
TOTAL LIABILITIES		$7,484,600	$6,790,352
NET ASSETS			
Unrestricted net assets		$261,739	$242,223
Operating Reserves		$268,456	$113,003
Accumulated Operating Surplus (Deficit)		$530,195	$355,226
Investment in capital assets		$121,640	$10,773
Capital Reserves		$0	$0
Total Capital Funds		$121,640	$10,773
Total net assets		$651,835	$365,999
TOTAL LIABILITIES AND NET ASSETS		$8,136,435	$7,156,351

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 98

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$3,993,053	$3,632,393	$4,190,408
Alberta Infrastructure	$613,035	$449,295	$602,547
Alberta Finance	$0	$0	$0
Other Government of Alberta	$900	$0	$0
Federal Government and/or First Nations	$9,590	$410,000	$13,297
Other Alberta school authorities	$0	$0	$1,696
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$30,811	$35,325	$37,216
Transportation fees	$0	$0	$0
Other sales and services	$2,860	$0	$305
Investment income	$30,829	$0	$1,124
Gifts and donations	$200	$0	$0
Rentals of facilities	$13,512	$0	$1,375
Net school generated funds	$39,505	$70,000	$19,807
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$409	$0	$0
Total Revenues	$4,734,704	$4,597,013	$4,867,775
EXPENSES			
Certificated salaries	$2,038,241	$2,077,156	$1,965,570
Certificated benefits	$232,396	$231,279	$259,770
Uncertificated salaries and wages	$519,774	$585,781	$421,124
Uncertificated benefits	$97,962	$104,056	$83,428
Services, contracts and supplies	$1,630,101	$1,696,242	$1,801,249
Net school generated funds	$39,505	$70,000	$19,807
Capital and debt services			
Amortization of capital assets			
Supported	$409	$0	$0
Unsupported	$2,693	$0	$2,693
Total Amortization of capital assets	$3,102	$0	$2,693
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$1,347	$750	$947
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$4,562,428	$4,765,264	$4,554,588
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$172,276	($168,251)	$313,187
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$172,276	($168,251)	$313,187

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 98

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$172,276	$313,186
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($409)	$0
Total amortization expense	$3,102	$2,693
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,123,319)	($272,020)
Prepaids and other current assets	$197	$67,254
Payables and accrued liabilities	($6,929)	$735,388
Deferred revenue	$352,086	$181,635
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($602,996)	$1,028,136
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($921,793)	($4,274,269)
Equipment	($54,607)	($2,045)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($976,400)	($4,276,314)
C. FINANCING ACTIVITIES		
Capital allocations received	$209,872	$2,790,382
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$209,872	$2,790,382
Net sources (uses) of cash equivalents* during year	($1,369,524)	($457,796)
Cash Equivalents at the beginning of the year	$1,753,457	$2,211,253
Cash Equivalents at the end of the year	$383,933	$1,753,457

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 86

# STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(In dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$365,999	$10,773	$242,223	$113,003	$44,011	$0	$0	$0	$0	$68,992	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$365,999	$10,773	$242,223	$113,003	$44,011	$0	$0	$0	$0	$68,992	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$172,276		$172,276												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$113,560	$113,560													
Amortization of capital assets		($3,102)	$3,102												
Amortization of capital allocations		$409	($409)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($218,161)	$218,161	$42,943		$175,218			$0		$0		$0	
Net transfers from operating reserves			$62,708	($62,708)	$0		$0			($62,708)		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$651,835	$121,640	$261,739	$268,456	$86,954	$0	$175,218	$0	$0	$6,284	$0	$0	$0	$0	$0

School Jurisdiction Code: 98

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$816,583	$4,785,415
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$816,583	$4,785,415
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$162,880	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$46,992	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$158,308
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		($976,401)	$976,401
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$409
Balance at August 31, 2003		$50,054	$5,919,715

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

The jurisdiction is exempt from tax under the Income Tax Act.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the contributions.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. Summary of Significant Accounting Policies (continued)

b) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings (major modernization)	2.5% - 4%
Equipment	10% - 20%

Only capital assets with costs in excess of $5,000 are capitalized. The amortization of the asset will commence in the fiscal year following the year of acquisition. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trips, etc.).

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

f) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school jurisdiction to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, and accrued liabilities. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

2. Summary of Significant Accounting Policies (continued)

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

i) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Greater Southern Public Francophone Education Region No. 4 does not make pension contributions for certified staff.

3. Accounts Receivable

	2003	2002
Province of Alberta	$ 726,441	$ 391,177
Federal Government	--	6,800
Other Alberta School Jurisdiction	6,644	2,347
Other	957,636	166,878
	$ 1,690,721	$ 567,402

4. Accounts Payable and Accrued Liabilities

	2003	2002
Province of Alberta	$ 27,792	$ 9,807
Other Alberta School Jurisdictions	1,220	18,086
Other	744,009	752,057
	$ 773,021	$ 779,950

5. Deferred Revenue

	2003	2002
Building Quality Restoration Program (BQRP)	$ 48,999	$ 44,018
One-time modernization funding 1999	42,555	42,555
One-time funding 2002-03	32,799	22,999
Technology Integration funding	35,497	20,060
School start-up funding	444,847	251,397
PARSA	9,895	--
One-time operation and maintenance support	118,523	--
	$ 733,115	$ 381,029

GREATER SOUTHERN PUBLIC FRANCOPHONE EDUCATION REGION NO. 4
NOTES TO THE SUMMARY FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

6. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	2002	Appropriated	Used	2003
Operating Reserves				
Board and system admin.	$ 68,992	$ --	$ 62,708	$ 6,284
School	44,011	42,943	--	86,954
Operation and maintenance	--	175,218	--	175,218
	$ 113,003	$ 218,161	$ 62,708	$ 268,456

7. Related Party Transactions

Alberta Learning and Alberta Infrastructure significantly influences the School jurisdiction on managerial issues and funding allocations. Funding from Alberta Learning and Infrastructure is provided from their General Revenue Fund and different Federal-Provincial agreements.

8 Budget Amounts

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

9. Commitments

a) Leases
The school jurisdiction currently leases various equipment. The future minimum payments under these operating leases are as follows:

2004	$ 47,557
2005	41,679
2006	5,939
	$ 95,175

b) Building Projects
The jurisdiction is committed to further capital expenditures for the addition at École de La Rose Sauvage of approximately $437,000. It is anticipated that these costs will be fully funded by capital allocations from Alberta Infrastructure.

10. Contingencies

a) Contingent liability

During the prior year a fire destroyed a substantial portion of the addition at École de La Rose Sauvage. As the addition was under construction, it is anticipated that the insurance will cover the total cost of the replacement and repairs. Uninsured board costs related to this fire, if any, are not estimateable at this time and will be recorded in the year of expenditure.

b) Contingent assets

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

11. Land Transfer

The school jurisdiction received a transfer in of land from another school jurisdiction. The net book value of the land will not be amortized. As a result, this transfer was recognized as a direct increase in net assets invested in capital assets in the statement of changes in net assets.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 98

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$2,546,302	$225,334	$2,320,968						
(2) Support block	$938,099				$608,099			$330,000	
(3) Instruction & support block reallocations	$0	$124,820	($155,919)		$31,099			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$34,753	$0	$34,753						
(5) Student Health Initiative (SHI)	$2,120	$0	$2,120						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$116,000	$13,526	$96,669					$5,805	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$357,779	$0	$357,779	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$3,993,053	$363,680	$2,656,370	$0	$637,198			$335,805	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$556,485			$556,485					
(14) Operations & Maintenance support (One-Time)	$56,550			$56,550					
(15) **Total Alberta Infrastructure Revenue**	$613,035	$0	$0	$613,035					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$900	$0	$900	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$9,590	$0	$9,590	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$30,811	$2,933	$27,878						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$2,860	$0	$2,860	$0	$0			$0	$0
(25) **Investment income**	$30,829	$0	$30,829	$0	$0			$0	$0
(26) **Gifts and donations**	$200	$0	$200	$0	$0				$0
(27) **Rentals of facilities**	$13,512		$0	$13,512	$0			$0	$0
(28) **Net school generated funds**	$39,505		$39,505					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$409		$409	$0	$0				$0
(31) **TOTAL REVENUES**	$4,734,704	$366,613	$2,768,541	$626,547	$637,198			$335,805	$0
EXPENSES									
(32) **Certificated salaries**	$2,038,241	$237,667	$1,698,574				$102,000	$102,000	$0
(33) **Certificated benefits**	$232,396	$31,581	$189,878				$10,937	$10,937	$0
(34) **Uncertificated salaries and wages**	$519,774	$67,904	$266,506	$20,857	$23,597	$43,580	$97,330	$140,910	$0
(35) **Uncertificated benefits**	$97,962	$10,341	$56,021	$4,668	$5,151	$0	$21,781	$21,781	$0
(36) **SUB - TOTAL**	$2,888,373	$347,493	$2,210,979	$25,525	$28,748	$43,580	$232,048	$275,628	$0
(37) **Services, contracts & supplies**	$1,630,101	$19,120	$455,189	$425,804	$608,450	$35,469	$86,069	$121,538	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$39,505		$39,505						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$409	$0	$409	$0	$0		$0	$0	$0
(41) Unsupported	$2,693	$0	$2,693	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$3,102	$0	$3,102	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$1,347	$0	$0	$0	$0		$1,347	$1,347	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$4,562,428	$366,613	$2,708,775	$451,329	$637,198	$79,049	$319,464	$398,513	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$172,276	$0	$59,766	$175,218	$0			($62,708)	$0
Applicable student numbers/FTE equivalent	424.0	62	362.0	453.0	403			453.0	
AVERAGE PROGRAM COSTS per student	$10,760	$5,913	$7,483	$996	$1,581			$880	

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SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$1,408,703	$188,142	$76,197	$0	$8,815	$16,717	$0	$1,698,574
Certificated benefits	$160,857	$18,804	$7,086	$0	$1,555	$1,576	$0	$189,878
Uncertificated salaries and wages	$124,913	$97,364	$8,213	$0	$36,016	$0	$0	$266,506
Uncertificated benefits	$33,384	$14,949	$605	$0	$7,083	$0	$0	$56,021
SUB - TOTAL REMUNERATION	$1,727,857	$319,259	$92,101	$0	$53,469	$18,293	$0	$2,210,979
Services, contracts & supplies	$210,961	$183,924	$35,560	$0	$6,446	$16,178	$2,120	$455,189
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$39,505							$39,505
Amortization of capital assets								
Supported	$409	$0	$0					$409
Unsupported	$2,693	$0	$0					$2,693
Total Amortization	$3,102	$0	$0					$3,102
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$1,981,425	$503,183	$127,661	$0	$59,915	$34,471	$2,120	$2,708,775
FTE Certificated				0.0	0.2			
FTE Uncertificated				0.0	1.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$1,527,102	$483,542	$84,293	($155,919)	$1,939,018	$1,794,732	$144,286
School Admin & Instruction Support Expenses						$503,183	($503,183)
System Instruction Support Expenses						$127,661	($127,661)
Total Basic Instruction	$1,527,102	$483,542	$84,293	($155,919)	$1,939,018	$2,425,576	($486,558)
Sub-Programs & Initiatives							
Severely Disabled	$54,118		$0		$54,118	$59,915	($5,797)
English as a Second Language	$36,822				$36,822	$36,822	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$545,761				$545,761		$545,761
Growth & Density	$13,314				$13,314		$13,314
Teacher Assistants Program	$11,704				$11,704	$11,704	$0
Early Literacy Initiative (K-2)	$24,895				$24,895	$24,895	$0
Learning Resources Credit & Resources for the Classroom	$4,440	$7,779	$27,878		$40,097	$47,051	($6,954)
Technology Integration	$0		$0		$0	$0	$0
French Language Program & Francisation (all jurisdictions)	$100,570		$0		$100,570	$100,570	$0
Home Education	$2,242		$0		$2,242	$2,242	$0
Total Sub-Programs & Initiatives	$793,866		$27,878		$829,523	$283,199	$546,324
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$2,320,968	$491,321	$112,171	($155,919)	$2,768,541	$2,708,775	$59,766

School Jurisdiction Code: 98

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$225,334	$2,320,968		$606,099	$330,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		($31,099)		$31,099		
Calculation: 2% of *$2,546,302* = *$50,926* *($31,099)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$124,820	($124,820)				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$124,820	($155,919)		$31,099	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

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SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$2,546,302
Support Block - Transportation	$606,099
SUBTOTAL	$3,152,401
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$556,485
Teacher Salary Enhancement	$116,000
Other Alberta Learning revenues (Describe) Expansion & Development	$350,000
Other - Government of Alberta (Excluding Alberta Finance)	$900
Federal government/First Nations	$9,590
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$2,860
Interest on investments	$30,829
Rentals of facilities	$13,512
Gains on disposal of capital assets	$0
Amortization of capital allocations	$409
School generated funds (Schedule E)	$64,546
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$4,297,532**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$257,852
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	335,805	$335,805
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$335,805**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$398,513
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$62,708
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$335,805
Maximum Expense Limit for Board & System Administration (Step 3)	$335,805
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 98

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$27,375
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$64,546	
Less: SGF - related cost recoveries (Note 3)	$43,721	
- capitalized at the District level (Note 4)	$0	
Net Total	$20,825	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$20,825
Net SGF Available for discretionary spending		$48,200
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$39,505
Unexpended SGF - Closing Balance August 31, 2003		$8,695

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 98

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$20,857	$20,857		$20,857
Uncertificated benefits	$0	$0	$0	$0	$4,668	$4,668		$4,668
Sub-total Remuneration	$0	$0	$0	$0	$25,525	$25,525		$25,525
Contracted Services	$106,324	$160,339	$0	$0	$21,409	$288,072		$288,072
Supplies	$11,465	$657	$1,708	$0	$1,388	$15,218		$15,218
Electricity			$35,346			$35,346		$35,346
Natural Gas/Heating Fuel			$59,679			$59,679		$59,679
Sewer and Water			$6,853			$6,853		$6,853
Telecommunications			$0			$0		$0
Insurance					$20,636	$20,636		$20,636
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$117,789	$160,996	$103,586	$0	$68,958	$451,329	$0	$451,329
SQUARE METRES								
School Buildings								9,373.0
Non School Buildings								70.0

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/BQRP & Portable Relocations: All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 98

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Nicole Buet	1.0	$16,265	$0	$0	$0	$0	$16,265	$3,894
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Mireille Dunn	1.0	$6,685	$0	$0	$0	$0	$6,685	$4,254
Name	Anne-Marie Boucher	1.0	$9,400	$0	$0	$0	$0	$9,400	$1,758
Name	Bonnie Lamoureux-McLean	1.0	$6,760	$0	$0	$0	$0	$6,760	$4,236
Name	Alain Éthier	1.0	$9,090	$0	$0	$0	$0	$9,090	$2,198
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*5.0*	*$48,200*	*$0*	*$0*	*$0*	*$0*	*$48,200*	*$16,340*
Superintendent	Donald Michaud	1.0	$102,000	$10,937	$0	$0	$0	$112,937	$16,844
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Yvan Beaubien	1.0	$82,000	$21,536	$0	$0	$0	$103,536	$9,969
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		33.9	$1,936,241	$221,459	$0	$0	$0	$2,157,700	
Uncertificated Salaries & Wages		15.0	$394,194	$76,426	$0	$0	$0	$470,620	
TOTALS			**$2,562,635**	**$330,358**	**$0**	**$0**	**$0**	**$2,892,993**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 98

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 97

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater Southern Separate Catholic Francophone Education region No. 4
Name of School Jurisdiction

200, 4800 Richard Road S.W., Calgary, Alberta, T3E 6L1
Mailing Address

Phone: (403) 685-9881/ Fax: (403) 685-9884
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Greater Southern Separate Catholic Francophone Education region No. 4
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Marc Renaud	"Original signed by"
Name	**Signature**

SUPERINTENDENT

Cécile Bonnar	"Original signed by"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Liette Desrochers	"Original signed by"
Name	**Signature**

November 24,2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 97

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BERGERON & CO.
CERTIFIED GENERAL ACCOUNTANTS
COMPTABLES GÉNÉRAUX AGRÉÉS

AUDITORS' REPORT

To the Board of Trustees of:
The Greater Southern Separate Catholic Francophone Education Region No. 4

We have audited the statement of financial position of **The Greater Southern Separate Catholic Francophone Education Region No. 4** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bergeron & Co.
Certified General Accountants

October 30, 2002
Edmonton, Alberta

GHISLAIN BERGERON, B.Sc., CGA *
PIERRE BERGERON, B.A., CGA *
SIMON BELZILE, CGA *
* Professional Corporation

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School Jurisdiction Code: 97

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$1,049,464	$996,783
Accounts receivable (net after allowances)		$204,620	$17,861
Prepaid expenses		$31,069	$25,000
Other current assets		$0	$0
Total current assets		$1,285,153	$1,039,644
School generated assets		$19,161	$4,685
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$5,741,411		
Less: accumulated amortization	($183,497)	$5,557,914	$5,741,411
Equipment	$220,222		
Less: accumulated amortization	($64,478)	$155,744	$136,089
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$5,713,658	$5,877,500
TOTAL ASSETS		$7,017,972	$6,921,829
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$176,946	$240,338
Deferred revenue		$213,007	$219,365
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$389,953	$459,703
School generated liabilities		$19,161	$4,685
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$5,663,393	$5,872,276
Total long term liabilities		$5,682,554	$5,876,961
TOTAL LIABILITIES		$6,072,507	$6,336,664
NET ASSETS			
Unrestricted net assets		$223,687	$139,032
Operating Reserves		$266,513	$90,909
Accumulated Operating Surplus (Deficit)		$490,200	$229,941
Investment in capital assets		$50,265	$5,224
Capital Reserves		$405,000	$350,000
Total Capital Funds		$455,265	$355,224
Total net assets		$945,465	$585,165
TOTAL LIABILITIES AND NET ASSETS		$7,017,972	$6,921,829

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 97

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$4,563,568	$3,869,504	$4,028,218
Alberta Infrastructure	$349,229	$385,894	$134,395
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$0	$4,793
Federal Government and/or First Nations	$2,834	$67,658	$1,817
Other Alberta school authorities	$539	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$2,865	$0	$0
Transportation fees	$6,512	$0	$0
Other sales and services	$2,556	$0	$1,700
Investment income	$19,160	$0	$20,165
Gifts and donations	$0	$0	$0
Rentals of facilities	$0	$0	$0
Net school generated funds	$0	$18,255	$16,192
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$215,784	$0	$0
Total Revenues	$5,163,047	$4,341,311	$4,207,280
EXPENSES			
Certificated salaries	$2,268,720	$2,173,828	$1,894,041
Certificated benefits	$286,091	$260,859	$216,505
Uncertificated salaries and wages	$405,966	$403,351	$357,391
Uncertificated benefits	$75,721	$68,703	$61,136
Services, contracts and supplies	$1,546,186	$1,547,133	$1,269,008
Net school generated funds	$0	$18,255	$16,192
Capital and debt services			
Amortization of capital assets			
Supported	$215,784	$0	$0
Unsupported	$4,279	$0	$804
Total Amortization of capital assets	$220,063	$0	$804
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$4,802,747	$4,472,129	$3,815,077
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$360,300	($130,818)	$392,203
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes		$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$360,300	($130,818)	$392,203

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 97

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$360,300	$392,203
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($215,784)	$0
Total amortization expense	$220,063	$804
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($186,759)	$43,959
Prepaids and other current assets	($6,069)	($22,600)
Payables and accrued liabilities	($63,392)	($687,590)
Deferred revenue	($6,358)	$147,775
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$102,001	($125,449)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	($56,221)	($6,028)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($56,221)	($6,028)
C. FINANCING ACTIVITIES		
Capital allocations received	$6,901	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$6,901	$0
Net sources (uses) of cash equivalents* during year	$52,681	($131,477)
Cash Equivalents at the beginning of the year	$996,783	$1,128,260
Cash Equivalents at the end of the year	$1,049,464	$996,783

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 97

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2003

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$585,165	$5,224	$139,032	$440,909	$89,215	$350,000	$0	$0		$1,694	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$585,165	$5,224	$139,032	$440,909	$89,215	$350,000	$0	$0	$0	$1,694	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$360,300		$360,300												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$49,320	($49,320)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($220,063)	$220,063												
Amortization of capital allocations		$215,784	($215,784)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($175,604)	$175,604	$175,000		$0			$604		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			($55,000)	$55,000		$55,000			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$945,465	$50,265	$223,687	$671,513	$264,215	$405,000	$0	$0	$0	$2,298	$0	$0	$0	$0	$0

School Jurisdiction Code: 97

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$5,872,276
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$5,872,276
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$6,901	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		($6,901)	$6,901
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$215,784
Balance at August 31, 2003		$0	$5,663,393

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION REGION NO. 4

Notes to the Financial Statements
August 31, 2003

1. AUTHORITY AND PURPOSE

On July 7, 2000 by order of the Minister of Learning of Alberta, the Greater Southern Separate Catholic Francophone Education Region No. 4 was established. The school jurisdiction receives block allocations for instruction and support for the delivery of a catholic francophone educational program under the authority of the Alberta School Act. The jurisdiction is exempt from tax under the Canada Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta School jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition:
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Unrestricted contributions are recognized as revenue when received and receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is applied.

Capital Assets:
Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis. Capital assets transferred from other jurisdictions are recorded at their net book value and amortized over the remaining useful lives on a straight-line basis.

Buildings	10 to 40 years
Site development	20 years
Furniture, equipment	5 to 10 years

Only capital assets with costs in excess of $5,000 are amortized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School Generated Funds:
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. Yearbook sales, graduation fees, field trip fees, etc.)

THE GREATER SOUTHERN SEPARATE CATHOLIC FRANCOPHONE EDUCATION REGION NO. 4

Notes to the Financial Statements
August 31, 2003

Financial Instruments:

The jurisdiction's financial instruments consist of cash, accounts receivable and accounts payable. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

Vacation Pay:

Vacation pay is accrued in the period in which the employee earns the benefit.

Prepaid expenses:

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed Services:

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Operating and Capital Reserves:

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Pensions:

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 14,533 for the year ended August 31, 2003

Employee future benefits

The school jurisdiction accounted for the future cost of employee benefits commencing in the 2002/2003 school year using the retroactive approach. There is no financial impact on the school jurisdiction at this time.

3. CAPITAL ASSETS

	Cost $	Accumulated Depreciations $	Net Book Value 2003 $	Net Book Value 2002 $
Building	5,188,757	148,701	5,040,056	5,188,757
Site development	552,654	34,796	517,858	552,654
Furniture & equipment	220,222	64,478	155,744	136,089
	5,961,633	247,975	5,713,658	5,877,500

4. DEFERRED REVENUE

	2003 $	2002 $
Alberta Infrastructure - O & M	45,836	0
One Time PO & M funding (Alb. Infrastructure)	26,875	0
One Time grant (Alb. Learning)	15,088	25,619
Technology Integration Funding	33,863	13,743
Alberta Initiative for School Improvement	0	62,771
BQRP Block Funding (Alb. Infrastructure)	91,345	117,232
	213,007	219,365

5. UNAMORTIZED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction, or qualifying assets transferred from other jurisdictions have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

6. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	Balance Aug 31/02 $	Appropriated $	Used $	Balance Aug 31/03 $
Operating Reserves:				
Board and system admin.	1,694	604	0	2,298
School based	89,215	175,000	0	264,215
	90,909	175,604	0	266,513
Capital Reserves:				
Equipment	350,000	55,000	0	405,000
Total	440,909	230,604	0	671,513

7. COMMITMENTS

Leases and service contracts:
The school jurisdiction currently leases space and signed a maintenance service contract. The future minimum payments for the next five years under these commitments are as follows:

	$
2004	115,038
2005	1,990
2006	1,990
2007	1,990
2008	0
	121,008

The school jurisdiction also has agreements for transportation services and electricity services which are at a fixed rate per unit factor, which are in effect until 2005

8. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

9. COMPARATIVE FIGURES

Prior year figures have been reclassified where necessary to conform to Actual 2003 presentation.

School Jurisdiction Code: 97

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$3,082,194	$124,245	$2,957,949						
(2) Support block	$1,200,838				$870,838			$330,000	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$127,869	$0	$127,869						
(5) Student Health Initiative (SHI)	$8,000	$0	$8,000						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$140,000	$5,600	$128,800					$5,600	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$4,667	$0	$4,667	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$4,563,568	$129,845	$3,227,285	$0	$870,838			$335,600	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$51,131	$0	$15,724	$35,407					
(13) Operations & Maintenance support	$298,098			$298,098					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$349,229	$0	$15,724	$333,505					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$2,834	$0	$0	$0	$0			$2,834	$0
(19) **Other Alberta school authorities**	$539	$0	$539	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$2,865	$0	$2,865						
(23) **Transportation fees**	$6,512				$6,512				
(24) **Other sales and services**	$2,556	$0		$2,354	$0			$202	$0
(25) **Investment income**	$19,160	$19,160	$0	$0				$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$0		$0					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$215,784		$32,287	$183,497	$0				$0
(31) **TOTAL REVENUES**	$5,163,047	$149,005	$3,278,700	$519,356	$877,350			$338,636	$0
EXPENSES									
(32) **Certificated salaries**	$2,268,720	$88,544	$2,087,408				$92,768	$92,768	$0
(33) **Certificated benefits**	$286,091	$10,116	$269,039				$6,936	$6,936	$0
(34) **Uncertificated salaries and wages**	$405,966	$29,565	$226,292	$18,677	$28,015	$24,226	$79,191	$103,417	$0
(35) **Uncertificated benefits**	$75,721	$5,263	$54,688	$1,945	$3,649	$0	$10,178	$10,178	$0
(36) **SUB - TOTAL**	$3,036,498	$133,488	$2,637,427	$20,622	$31,664	$24,226	$189,071	$213,297	$0
(37) **Services, contracts & supplies**	$1,546,186	$13,351	$305,867	$315,237	$795,632	$8,184	$107,915	$116,099	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$0		$0						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$215,784	$0	$32,287	$183,497	$0		$0	$0	$0
(41) Unsupported	$4,279	$0	$4,279	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$220,063	$0	$36,566	$183,497	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$4,802,747	$146,839	$2,979,860	$519,356	$827,296	$32,410	$296,986	$329,396	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$360,300	$2,166	$298,840	$0	$50,054			$9,240	$0
Applicable student numbers/FTE equivalent	599.0	50	549.0	599.0	559			599.0	
AVERAGE PROGRAM COSTS per student	$8,016	$2,937	$5,428	$867	$1,480			$550	

School Jurisdiction Code: 97

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$1,683,231	$192,821	$30,256	$53,698	$31,640	$95,762	$0	$2,087,408
Certificated benefits	$219,631	$24,234	$2,325	$6,388	$3,611	$12,850	$0	$269,039
Uncertificated salaries and wages	$118,768	$83,678	$22,573	$1,273	$0	$0	$0	$226,292
Uncertificated benefits	$29,992	$20,169	$4,426	$101	$0	$0	$0	$54,688
SUB - TOTAL REMUNERATION	$2,051,622	$320,902	$59,580	$61,460	$35,251	$108,612	$0	$2,637,427
Services, contracts & supplies	$224,413	$47,524	$0	$3,336	$3,337	$19,257	$8,000	$305,867
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$32,287	$0	$0					$32,287
Unsupported	$4,279	$0	$0					$4,279
Total Amortization	$36,566	$0	$0					$36,566
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$2,312,601	$368,426	$59,580	$64,796	$38,588	$127,869	$8,000	$2,979,860
FTE Certificated				1.2	0.8			
FTE Uncertificated				0.0	0.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$2,411,435	$264,669	$48,550	$0	$2,724,654	$2,376,212	$348,442
School Admin & Instruction Support Expenses						$368,426	($368,426)
System Instruction Support Expenses						$59,580	($59,580)
Total Basic Instruction	$2,411,435	$264,669	$48,550	$0	$2,724,654	$2,804,218	($79,564)
Sub-Programs & Initiatives							
Severely Disabled	$54,118		$0		$54,118	$38,588	$15,530
English as a Second Language	$55,093				$55,093	$24,103	$30,990
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$256,191				$256,191		$256,191
Growth & Density	$11,110				$11,110		$11,110
Teacher Assistants Program	$14,616				$14,616	$14,616	$0
Early Literacy Initiative (K-2)	$24,420				$24,420	$0	$24,420
Learning Resources Credit & Resources for the Classroom	$6,097	$4,667	$2,865		$13,629	$94,848	($81,219)
Technology Integration	$3,487		$0		$3,487	$3,487	$0
French Language Program & Francisation (all jurisdictions)	$121,382		$0		$121,382	$0	$121,382
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$546,514		$2,865		$554,046	$175,642	$378,404
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$2,957,949	$269,336	$51,415	$0	$3,278,700	$2,979,860	$298,840

School Jurisdiction Code: 97

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$124,245	$2,957,949		$870,838	$330,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | *$3,082,194* | *=* | *$61,644* | *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 97

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$3,078,707
Support Block - Transportation	$870,838
SUBTOTAL	$3,949,545

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$298,098
Teacher Salary Enhancement	$140,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$2,834
Other Alberta school authorities	$539
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$2,556
Interest on investments	$19,160
Rentals of facilities	$0
Gains on disposal of capital assets	$0
Amortization of capital allocations	$215,784
School generated funds (Schedule E)	$149,167
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$4,777,683**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$286,661

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	330,000	$330,000
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$330,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$329,396
PLUS: transfers to Restricted - Operating (Board/System Administration)	$604
LESS: transfers from Restricted - Operating (Board/System Administration)	
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$330,000

Maximum Expense Limit for Board & System Administration (Step 3)	$330,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 97

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$4,685
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$149,167	
Less: SGF - related cost recoveries (Note 3)	$139,067	
- capitalized at the District level (Note 4)	$0	
Net Total	$10,100	
Plus: Donations Received (Note 5)	$4,376	
Equals: Net Additions to SGF		$14,476
Net SGF Available for discretionary spending		$19,161
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$0
Unexpended SGF - Closing Balance August 31, 2003		$19,161

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 97

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$18,677	$18,677		$18,677
Uncertificated benefits	$0	$0	$0	$0	$1,945	$1,945		$1,945
Sub-total Remuneration	$0	$0	$0	$0	$20,622	$20,622		$20,622
Contracted Services	$129,061	$47,818	$0	$35,407	$33,241	$245,527		$245,527
Supplies	$0	$2,093	$0	$0	$0	$2,093		$2,093
Electricity			$29,199			$29,199		$29,199
Natural Gas/Heating Fuel			$33,776			$33,776		$33,776
Sewer and Water			$2,559			$2,559		$2,559
Telecommunications			$0			$0		$0
Insurance					$2,083	$2,083		$2,083
Amortization of capital assets								
Supported							$183,497	$183,497
Unsupported						$0		$0
Total Amortization						$0	$183,497	$183,497
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$129,061	$49,911	$65,534	$35,407	$55,946	$335,859	$183,497	$519,356
SQUARE METRES								
School Buildings								6,825.2
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictly, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 97

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Marc Renaud	1.0	$9,251	$0	$0	$0	$0	$9,251	$2,574
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Evelyne Drouin	1.0	$7,563	$0	$0	$0	$0	$7,563	$2,588
Name	Danielle Poirier-Heine	1.0	$7,412	$0	$0	$0	$0	$7,412	$3,022
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*3.0*	*$24,226*	*$0*	*$0*	*$0*	*$0*	*$24,226*	*$8,184*
Superintendent	Cécile Bonner	1.0	$121,024	$9,261	$0	$2,000	$0	$132,285	$11,641
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Liette Desrochers	0.8	$62,256	$6,483	$0	$0	$0	$68,739	$1,637
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		38.2	$2,145,696	$276,830	$0	$0	$0	$2,422,526	
Uncertificated Salaries & Wages		15.0	$319,484	$69,238	$0	$0	$0	$388,722	
TOTALS			$2,672,686	$361,812	$0	$2,000	$0	$3,036,498	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 97

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 4077

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Greater St. Albert Catholic Regional Division No. 29
Name of School Jurisdiction

6 St. Vital Avenue, St. Albert, AB T8N 1K2
Mailing Address

Ph: (780) 459-7711 Fax: (780) 458-3213
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Greater St. Albert Catholic Regional Division No. 29 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mrs. Jacquie Hansen	"Original Signed by"
Name	Signature

SUPERINTENDENT

Mr. Bill Hoppins	"Original Signed by"
Name	Signature

SECRETARY TREASURER OR TREASURER

Mr. Al Summers	"Original Signed by"
Name	Signature

24-Nov-03
Board-approved Release Date

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School Jurisdiction Code: 4077

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Deloitte
& Touche

Auditors' Report

To the Board of Trustees of
Greater St. Albert Catholic Regional Division No. 29

We have audited the statement of financial position of the Greater St. Albert Catholic Regional Division No. 29 as at August 31, 2003, and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2003, and the results of its operations, cash flows, changes in net assets, and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Chartered Accountants

October 17, 2003

School Jurisdiction Code: 4077

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$1,117,651	$3,597,277
Accounts receivable (net after allowances)		$2,652,358	$1,760,344
Prepaid expenses		$803,575	$687,180
Other current assets		$0	$0
Total current assets		$4,573,584	$6,044,801
School generated assets		$1,033,035	$958,628
Trust assets		$282,987	$338,757
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,396,416	$1,396,416
Buildings	$59,153,960		
Less: accumulated amortization	($23,965,243)	$35,188,717	$35,602,535
Equipment	$13,872,980		
Less: accumulated amortization	($12,930,475)	$942,505	$1,166,030
Vehicles	$276,128		
Less: accumulated amortization	($258,111)	$18,017	$31,049
Total capital assets		$37,545,655	$38,196,030
TOTAL ASSETS		$43,435,261	$45,538,216
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,054,217	$2,028,891
Deferred revenue		$1,219,647	$1,979,624
Deferred capital allocations		$0	$0
Current portion of all long term debt		$1,499,994	$1,600,996
Total current liabilities		$4,773,858	$5,609,511
School generated liabilities		$1,033,035	$958,628
Trust liabilities		$282,987	$338,757
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$15,049,457	$16,488,066
Less: Current portion of supported debt		($1,354,695)	($1,438,608)
Unsupported: Debentures and Capital Loans		$360,000	$451,869
Capital Leases		$63,299	$133,817
Mortgages		$0	$0
Less: Current portion of unsupported debt		($145,299)	($162,388)
Unamortized capital allocations		$16,909,355	$16,854,352
Total long term liabilities		$32,198,139	$33,624,493
TOTAL LIABILITIES		$36,971,997	$39,234,004
NET ASSETS			
Unrestricted net assets		$17,405	$11,828
Operating Reserves		$281,123	$1,535,500
Accumulated Operating Surplus (Deficit)		$298,528	$1,547,328
Investment in capital assets		$5,163,544	$4,267,926
Capital Reserves		$1,001,192	$488,958
Total Capital Funds		$6,164,736	$4,756,884
Total net assets		$6,463,264	$6,304,212
TOTAL LIABILITIES AND NET ASSETS		$43,435,261	$45,538,216

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4077

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002 Restated
REVENUES			
Alberta Learning	$40,143,605	$43,156,530	$42,062,331
Alberta Infrastructure	$4,931,414	$4,848,396	$2,512,750
Alberta Finance	$1,515,814	$1,573,844	$1,644,403
Other Government of Alberta	$2,222,981	$0	$3,180
Federal Government and/or First Nations	$204,928	$139,744	$221,018
Other Alberta school authorities	$35,021	$0	$27,423
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$1,075,089	$627,783	$801,296
Transportation fees	$247,511	$255,285	$255,565
Other sales and services	$427,798	$0	$551,642
Investment income	$90,344	$110,000	$110,259
Gifts and donations	$0	$0	$0
Rentals of facilities	$4,500	$0	$6,445
Net school generated funds	$400,967	$250,000	$275,276
Gains on disposal of capital assets	$512,234	$0	$0
Amortization of capital allocations	$1,383,606	$1,601,000	$1,608,662
Total Revenues	$53,195,812	$52,562,582	$50,080,250
EXPENSES			
Certificated salaries	$25,878,993	$25,377,789	$23,191,358
Certificated benefits	$3,172,564	$3,694,502	$2,764,499
Uncertificated salaries and wages	$7,088,560	$6,362,755	$6,690,614
Uncertificated benefits	$1,679,476	$1,669,183	$1,510,898
Services, contracts and supplies	$11,906,596	$11,498,086	$11,789,098
Net school generated funds	$400,967	$250,000	$275,276
Capital and debt services			
Amortization of capital assets			
Supported	$1,383,606	$1,601,000	$1,608,662
Unsupported	$576,943	$496,611	$538,384
Total Amortization of capital assets	$1,960,549	$2,097,611	$2,147,046
Interest on capital debt			
Supported	$1,498,966	$1,573,844	$1,644,404
Unsupported	$30,532	$29,812	$31,487
Total Interest on capital debt	$1,529,498	$1,603,656	$1,675,891
Other interest charges	$7,680	$9,000	$7,698
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$53,624,883	$52,562,582	$50,052,378
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($429,071)	$0	$27,872
Block BQRP revenue used for capital purposes	$588,123	$0	$265,558
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$159,052	$0	$293,430

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4077

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$159,052	$293,430
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,383,606)	($1,608,662)
Total amortization expense	$1,960,549	$2,147,046
Gains on disposal of capital assets	($512,234)	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($892,014)	$70,689
Prepaids and other current assets	($116,395)	$494,065
Payables and accrued liabilities	$25,326	$96,155
Deferred revenue	($759,977)	$90,894
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,519,299)	$1,583,617
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,493,691)	($265,559)
Equipment	($154,492)	($358,501)
Vehicles	$0	($8,307)
Net proceeds from disposal of capital assets	$850,243	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($797,940)	($632,367)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($1,600,996)	($1,690,624)
Add back: supported portion	$1,438,609	$1,525,309
Other (describe)	$0	$0
Total sources (uses) from Financing activities	($162,387)	($165,315)
Net sources (uses) of cash equivalents* during year	($2,479,626)	$785,935
Cash Equivalents at the beginning of the year	$3,597,277	$2,811,342
Cash Equivalents at the end of the year	$1,117,651	$3,597,277

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 4077

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
	NET ASSETS	IN CAPITAL	NET	NET ASSETS	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	(Columns 2+3+4)	ASSETS	ASSETS	(Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$5,981,140	$3,944,854	$11,828	$2,024,458	$759,960	$0	$493,454	$0	$0	$183,627	$488,958	$98,459	$0	$0	$0
Prior period adjustments (describe)															
Restated Opening Balances	$323,072	$323,072	$0	$0	$0	$488,958	$0	$0	$0	$0	($488,958)	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$6,304,212	$4,267,926	$11,828	$2,024,458	$759,960	$488,958	$493,454	$0	$0	$183,627	$0	$98,459	$0	$0	$0
Surplus(def) of revenue over expenses	$159,052		$159,052												
Block BQRP funded capital transactions		$588,123	($588,123)												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,060,060	($1,060,060)	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,960,549)	$1,960,549												
Amortization of capital allocations		$1,383,606	($1,383,606)												
Disposal of unsupported capital assets	$0	($338,009)	$338,009	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$162,387	($162,387)												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$1,254,377	($1,254,377)	($759,960)		($493,454)			($183,627)		$182,664		$0	
Net transfers to capital reserves			($512,234)	$512,234		$0			$0		$512,234		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,463,264	$5,163,544	$17,405	$1,282,315	$0	$488,958	$0	$0	$0	$0	$512,234	$281,123	$0	$0	$0

School Jurisdiction Code: 4077

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$16,854,352
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$16,854,352
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$1,438,609
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,383,606
Balance at August 31, 2003		$0	$16,909,355

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The Greater St. Albert Catholic Regional Division No. 29 (the Division) was formed effective January 1, 1995, and is empowered to provide public Catholic education to its resident students under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002, through bylaws and policies approved by its Board of Trustees and pursuant to the provisions of the Alberta School Act. The Division was formed when the assets and liabilities of the Legal School District No. 1738, Thibault Roman Catholic Public School District No. 35, and St. Albert School District No. 3 were transferred to the Division on January 1, 1995. The three individual boards were dissolved at midnight on December 31, 1994, and the Board of the Greater St. Albert Catholic Regional Division No. 29 was established. On September 1, 1998, the Guibault Roman Catholic Separate School District No. 552 joined the Division.

The Division receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment Funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations that are amortized to revenue on the same basis as the capital asset acquired by the grant.

2. ACCOUNTING POLICIES (continued)

Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	10 to 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

Amortization of capital assets commences in the year following acquisition. Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related assets.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are collected and retained at the school level for expenditures at the school level.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Financial instruments

The Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies that will be consumed subsequent to the year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools that are within the Division to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

2. ACCOUNTING POLICIES (continued)

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the Division or externally to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits

The Division accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the Division at this time.

Use of estimates

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. PENSION OBLIGATION

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers' Pension Plan Act, the Greater St. Albert Catholic Regional Division No. 29 does not make pension contributions for certificated staff.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this plan is equivalent to the annual contributions of $322,260 (2002 - $285,517) for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported a deficit of $444,980,000 (2001 - surplus of $634,960,000).

4. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 1,968,592	$ 1,356,989
Federal Government	141,620	132,008
Other	542,146	271,347
	$ 2,652,358	$ 1,760,344

5. PREPAID EXPENSES

Included in prepaid expenses are payments for textbooks, general instructional supplies, and custodial supplies. At August 31, 2003, these payments amounted to $640,188 (2002 - $542,351).

6. TRUST ASSETS AND LIABILITIES

Trust assets and liabilities are accounts that the Division is not entitled to, but which they manage on behalf of others. Included in the trust accounts are the following items:

	2003	2002
Deferred salary leave plan	$ 191,319	$ 159,705
Student Health Initiative Program	72,160	154,152
Frank Nigro	14,206	14,141
Father Primeau	2,764	2,693
Joelle Cloutier	2,538	2,721
Scholarships	-	5,345
	$ 282,987	$ 338,757

7. CAPITAL ASSETS

	2003			2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value (restated)
Land	$ 1,396,416	$ -	$ 1,396,416	$ 1,396,416
Buildings	59,153,960	23,965,243	35,188,717	35,602,535
Equipment	13,872,980	12,930,475	942,505	1,166,030
Vehicles	276,128	258,111	18,017	31,049
	$ 74,699,484	$ 37,153,829	$ 37,545,655	$ 38,196,030

8. BANK INDEBTEDNESS

The Division has negotiated a line of credit in the amount of $5,000,000 that bears interest at the bank prime rate. There was no balance outstanding on the line of credit at August 31, 2003.

9. DEFERRED REVENUE RECOGNITION

	2003	2002
Plant operations and maintenance funding	**$ 341,542**	$ -
AISI	**265,427**	320,307
Transportation	**215,071**	172,360
Other	**397,607**	407,258
BQRP	**-**	801,293
One-time grant 1999	**-**	184,676
One-time funding 2002/03	**-**	93,730
	$ 1,219,647	$ 1,979,624

10. LONG-TERM DEBT

	2003	2002
Debentures outstanding at August 31, 2003, have interest rates that vary between 5.6% and 12%. The terms of the debentures range from 10 to 25 years with payments of principal and interest made annually.	**$ 15,409,457**	$ 16,939,935
Less current portion	**(1,436,695)**	(1,530,478)
	$ 13,972,762	$ 15,409,457

Principal repayments required in each of the next five fiscal years are as follows:

	Supported	Unsupported	Total
2004	$ 1,354,695	$ 82,000	$ 1,436,695
2005	1,302,468	82,000	1,384,468
2006	1,208,934	82,000	1,290,934
2007	1,184,467	76,000	1,260,467
2008	1,157,931	38,000	1,195,931

11. OBLIGATION UNDER CAPITAL LEASE

	2003	2002
Equipment lease at 9%, blended monthly payments of $6,469, due June 24, 2004	**$ 63,299**	$ 133,817
Less current portion	**(63,299)**	(70,518)
	$ -	$ 63,299

11. OBLIGATION UNDER CAPITAL LEASE (continued)

Minimum lease payments are as follows:

2004	$ 66,139
Less imputed interest	(2,840)
	$ 63,299

Computer equipment with a net book value of approximately $108,000 (2002 - $163,000) has been pledged as collateral on the obligation under capital lease.

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations relate to grants received from Alberta Infrastructure for the acquisition of capital assets or the repayment of debt originally incurred for the purpose of acquiring capital assets. When the capital asset is complete, the applicable unamortized capital allocation amount is amortized as revenue over the same period of time that the capital asset is amortized to expense.

13. RESTRICTED SURPLUS

	2003	2002
Operating		
Transportation	$ 281,123	$ 98,459
School based	-	759,960
Operations and maintenance	-	493,454
Board and system administration	-	183,627
	281,123	1,535,500
Capital		
Board and system administration	512,234	488,958
School based	488,958	-
	1,001,192	488,958
	$ 1,282,315	$ 2,024,458

Restricted operating surpluses represent funds allocated for future operating expenditures in the specific programs. Restricted capital represents funds allocated for future capital expenditures. The funds are established and expended in accordance with terms and conditions established by the Board of Trustees.

14. RELATED PARTY TRANSACTIONS

The Division has received the following allocations from the Province of Alberta:

	2003	2002
Alberta Learning	$ 40,143,605	$ 38,879,279
Alberta Infrastructure	4,919,900	2,342,614
Alberta Finance	1,527,328	1,817,719
Other Government of Alberta	2,222,981	3,065,797
	$ 48,813,814	$ 46,105,409

Accounts receivable includes $1,968,592 (2002 - $1,356,989) from the Province of Alberta.

15. COMMITMENTS

The Division has the following minimum commitments under equipment leases and supply contracts over the next five years:

2004	**$ 400,698**
2005	**61,576**
2006	**33,822**
2007	**25,719**
2008	**16,924**

In addition to the above, the Division has entered into an agreement for the purchase of electricity at a flat-fixed rate of 8.43 cents per kilowatt-hour. The agreement expires December 31, 2005.

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. BUDGET AMOUNTS

The budget was prepared by the Division's management and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

18. COMPARATIVES FIGURES

The budget 2003 and actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

19. PRIOR PERIOD ADJUSTMENTS

In the prior year, $323,072 of equipment for computer labs had been incorrectly expensed. The financial statements of the prior year that have been presented for comparative purposes have been restated for this correction.

Equipment has been increased to $1,666,030 (2002 - $842,958) and services, contracts, and supplies have been decreased to $11,789,098 (2002 - $12,112,170) to reflect internally funded equipment for computer labs that had been incorrectly expensed to services, contracts, and supplies in the prior year.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 4077

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$33,510,546	$2,417,773	$31,092,773						
(2) Support block	$3,428,113				$1,802,988			$1,625,125	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$985,410	$0	$985,410						
(5) Student Health Initiative (SHI)	$315,285	$0	$309,164						$6,121
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,603,000	$74,219	$1,528,781					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$301,251	$0	$196,145	$0	$50,430			$54,676	$0
(11) **Total Alberta Learning Revenue**	$40,143,805	$2,491,992	$34,112,273	$0	$1,853,418			$1,679,801	$6,121
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$836,992	$0	$0	$836,992					
(13) Operations & Maintenance support	$4,094,422			$4,094,422					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$4,931,414	$0	$0	$4,931,414					
(16) **Alberta Finance**	$1,515,814			$1,515,814	$0			$0	$0
(17) **Other - Government of Alberta**	$2,222,981	$87,842	$2,135,139	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$204,928	$0	$197,217	$0	$0			$7,711	$0
(19) **Other Alberta school authorities**	$35,021	$0	$35,021	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$1,075,089	$0	$1,075,089						
(23) **Transportation fees**	$247,511				$247,511				
(24) **Other sales and services**	$427,798	$0	$2,745	$1,063	$0			$10,957	$413,033
(25) **Investment income**	$90,344	$0	$0	$0	$0			$90,344	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$4,500		$3,420	$900	$0			$180	$0
(28) **Net school generated funds**	$400,967		$400,967					$0	
(29) **Gains on disposal of capital assets**	$512,234		$0	$512,234	$0			$0	$0
(30) **Amortization of capital allocations**	$1,383,606		$16,000	$1,367,606	$0				$0
(31) **TOTAL REVENUES**	$53,195,812	$2,579,834	$37,977,871	$8,329,031	$2,100,929			$1,788,993	$419,154
EXPENSES									
(32) **Certificated salaries**	$25,878,993	$1,199,032	$24,447,766				$232,195	$232,195	$0
(33) **Certificated benefits**	$3,172,564	$154,745	$2,998,577				$19,242	$19,242	$0
(34) **Uncertificated salaries and wages**	$7,088,560	$755,658	$4,998,532	$588,445	$89,618	$58,429	$597,878	$656,307	$0
(35) **Uncertificated benefits**	$1,679,476	$143,654	$1,223,706	$128,437	$16,785	$28,314	$138,580	$166,894	$0
(36) **SUB - TOTAL**	$37,819,593	$2,253,089	$33,668,581	$716,882	$106,403	$86,743	$987,895	$1,074,638	$0
(37) **Services, contracts & supplies**	$11,906,596	$130,055	$3,745,995	$5,085,898	$1,811,862	$143,754	$577,042	$720,796	$411,990
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$400,967		$400,967						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,383,606	$0	$16,000	$1,367,606	$0		$0	$0	$0
(41) Unsupported	$576,943	$0	$326,883	$189,479	$0	$0	$60,581	$60,581	$0
(42) Total Amortization	$1,960,549	$0	$342,883	$1,557,085	$0	$0	$60,581	$60,581	$0
Interest on capital debt									
(43) Supported	$1,498,966	$0	$0	$1,498,966	$0		$0	$0	$0
(44) Unsupported	$30,532	$0	$0	$30,532	$0	$0	$0	$0	$0
(45) Other interest charges	$7,680	$0	$0	$0	$0		$7,680	$7,680	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$53,624,883	$2,383,144	$38,158,426	$8,889,363	$1,918,265	$230,497	$1,633,198	$1,863,695	$411,990
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($429,071)	$196,690	($180,555)	($560,332)	$182,664			($74,702)	$7,164
Applicable student numbers/FTE equivalent	7,224.5	585	6,932.0	7,218.5	3,951			7,224.5	
AVERAGE PROGRAM COSTS per student	$7,423	$4,074	$5,505	$1,231	$486			$258	

School Jurisdiction Code: 4077

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$19,252,995	$2,818,555	$193,347	$854,891	$758,111	$569,867	$0	$24,447,706
Certificated benefits	$2,449,949	$285,200	$17,949	$97,408	$86,381	$61,690	$0	$2,998,577
Uncertificated salaries and wages	$385,259	$1,738,229	$30,699	$948,092	$1,760,743	$49,970	$85,540	$4,998,532
Uncertificated benefits	$76,242	$435,208	$8,476	$237,103	$440,333	$8,166	$18,178	$1,223,706
SUB - TOTAL REMUNERATION	$22,164,445	$5,277,192	$250,471	$2,137,494	$3,045,568	$689,693	$103,718	$33,668,581
Services, contracts & supplies	$2,785,029	$0	$22,709	$176,699	$254,274	$295,717	$211,567	$3,745,995
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$400,967							$400,967
Amortization of capital assets								
Supported	$16,000	$0	$0					$16,000
Unsupported	$326,883	$0	$0					$326,883
Total Amortization	$342,883	$0	$0					$342,883
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$25,693,324	$5,277,192	$273,180	$2,314,193	$3,299,842	$985,410	$315,285	$38,158,426
FTE Certificated				12.3	10.8			
FTE Uncertificated				37.3	68.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$30,413,363	$2,953,355	$997,133	$0	$34,363,851	$27,193,611	$7,170,240
School Admin & Instruction Support Expenses						$5,277,192	($5,277,192)
System Instruction Support Expenses						$273,180	($273,180)
Total Basic Instruction	$30,413,363	$2,953,355	$997,133	$0	$34,363,851	$32,743,983	$1,619,868
Sub-Programs & Initiatives							
Severely Disabled	$0		$1,495,486		$1,495,486	$3,299,842	($1,804,356)
English as a Second Language	$29,820				$29,820	$29,820	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,425				$1,425		$1,425
Growth & Density	$2,508				$2,508		$2,508
Teacher Assistants Program	$145,558				$145,558	$145,558	$0
Early Literacy Initiative (K-2)	$277,852				$277,852	$277,852	$0
Learning Resources Credit & Resources for the Classroom	$42,386	$66,145	$1,075,089		$1,183,620	$1,183,620	$0
Technology Integration	$0		$293,518		$293,518	$293,518	$0
French Language Program & Francisation (all jurisdictions)	$179,861		$0		$179,861	$179,861	$0
Home Education	$0		$4,372		$4,372	$4,372	$0
Total Sub-Programs & Initiatives	$679,410		$2,868,465		$3,614,020	$5,414,443	($1,800,423)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$31,092,773	$3,019,500	$3,865,598	$0	$37,977,871	$38,158,426	($180,555)

School Jurisdiction Code: 4077

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,417,773	$31,092,773		$1,802,988	$1,625,125	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$33,510,546* = *$670,211* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 4077

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$33,510,546
Support Block - Transportation	$1,802,988
SUBTOTAL	$35,313,534
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,094,422
Teacher Salary Enhancement	$1,603,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$2,222,981
Federal government/First Nations	$204,928
Other Alberta school authorities	$35,021
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$427,798
Interest on investments	$90,344
Rentals of facilities	$4,500
Gains on disposal of capital assets	$512,234
Amortization of capital allocations	$1,383,606
School generated funds (Schedule E)	$1,967,343
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$47,859,711**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,914,388
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,914,388**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,863,695
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$183,627
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,680,068
Maximum Expense Limit for Board & System Administration (Step 3)	$1,914,388
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$234,320

School Jurisdiction Code: 4077

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$958,628
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,967,343	
Less: SGF - related cost recoveries (Note 3)	$1,551,166	
- capitalized at the District level (Note 4)	$0	
Net Total	$416,177	
Plus: Donations Received (Note 5)	$59,197	
Equals: Net Additions to SGF		$475,374
Net SGF Available for discretionary spending		$1,434,002
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$400,967
Unexpended SGF - Closing Balance August 31, 2003		$1,033,035

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4077

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$390,817	$0	$0	$197,628	$588,445		$588,445
Uncertificated benefits	$0	$89,628	$0	$0	$38,809	$128,437		$128,437
Sub-total Remuneration	$0	$480,445	$0	$0	$236,437	$716,882		$716,882
Contracted Services	$1,409,027	$149,130	$0	$836,210	$47,257	$2,441,624		$2,441,624
Supplies	$92,439	$1,023,447	$0	$0	$22,396	$1,138,282		$1,138,282
Electricity			$737,729			$737,729		$737,729
Natural Gas/Heating Fuel			$611,831			$611,831		$611,831
Sewer and Water			$63,998			$63,998		$63,998
Telecommunications			$19,059			$19,059		$19,059
Insurance					$73,375	$73,375		$73,375
Amortization of capital assets								
Supported							$1,367,606	$1,367,606
Unsupported						$189,479		$189,479
Total Amortization						$189,479	$1,367,606	$1,557,085
Interest on capital debt								
Supported							$1,498,966	$1,498,966
Unsupported						$30,532		$30,532
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,501,466	$1,653,022	$1,432,617	$836,210	$379,465	$6,022,791	$2,866,572	$8,889,363
SQUARE METRES								
School Buildings								74,615.4
Non School Buildings								1,968.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4077

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Mr Dave Caron	1.0	$9,233	$4,616	$0	$0	$0	$13,849	$8,709
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Mr Lou Duigou	1.0	$8,634	$1,405	$0	$0	$0	$10,039	$9,833
Name Mrs Jacquie Hansen	1.0	$8,071	$4,650	$0	$0	$0	$12,721	$13,037
Name Mrs Cathy Proulx	1.0	$8,071	$4,543	$0	$0	$0	$12,614	$8,598
Name Mr Neill Fitzpatrick	1.0	$8,071	$4,467	$0	$0	$0	$12,538	$6,086
Name Ms Leah Hogg	1.0	$8,071	$4,440	$0	$0	$0	$12,511	$7,795
Name Mr Gordon Boddez	1.0	$8,279	$4,193	$0	$0	$0	$12,472	$11,870
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*7.0*	*$58,430*	*$28,314*	$0	$0	$0	*$86,744*	*$65,928*
Superintendent Mr Bill Hoppins	1.0	$119,000	$12,646	$0	$0	$0	$131,646	$9,986
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Mr Al Summers	1.0	$98,616	$19,802	$0	$0	$0	$118,418	$16,355
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	389.5	$25,759,993	$3,159,918	$0	$0	$0	$28,919,911	
Uncertificated Salaries & Wages	241.0	$6,931,514	$1,631,360	$0	$0	$0	$8,562,874	
TOTALS		$32,967,553	$4,852,041	$0	$0	$0	$37,819,593	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4077

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1220

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

High Prairie School Division #48

Name of School Jurisdiction

Box 870, High Prairie, Alberta T0G 1E0

Mailing Address

780-523-3337 (voice) 780-523-4639 (fax)

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules High Prairie School Division #48 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility

The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors

The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman

To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Marco Gervais — Name

"Original Signed By" — Signature

SUPERINTENDENT

Mr. Kenneth Riegel — Name

"Original Signed By" — Signature

SECRETARY TREASURER OR TREASURER

Mr. Paul Burrows — Name

"Original Signed By" — Signature

November 21,2003

Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1220

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MNP
MEYERS NORRIS PENNY

Auditors' Report

To the Board of Trustees
High Prairie School Division No. 48

We have audited the statement of financial position of High Prairie School Division No. 48 as at August 31, 2003 and the statements of revenues and expenses, cash flow, capital allocations and changes in net assets for the year then ended. These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2003 and the results of its operations, capital allocations, cash flow and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedule A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The 2002 financial statements were audited by another firm of chartered accountants.

Meyers Norris Penny LLP

Chartered Accountants

Peace River, Alberta
October 9, 2003

An independent member of
BAKER TILLY
INTERNATIONAL

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
10012 - 101ST ST. BOX 6030, PEACE RIVER, AB T8S [illegible]
PH. (780) 624-3252 FAX (780) 624-8758 [illegible]

School Jurisdiction Code: 1220

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$5,688,819	$11,375,513
Accounts receivable (net after allowances)		$1,916,817	$875,315
Prepaid expenses		$296,012	$257,410
Other current assets		$0	$0
Total current assets		$7,901,648	$12,508,238
School generated assets		$497,778	$528,734
Trust assets		$392,628	$495,369
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$35,237,284		
Less: accumulated amortization	($13,582,420)	$21,654,864	$17,453,604
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$6,044,087		
Less: accumulated amortization	($2,588,475)	$3,455,612	$3,147,975
Total capital assets		$25,110,476	$20,601,579
TOTAL ASSETS		$33,902,530	$34,133,920
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,411,677	$2,966,197
Deferred revenue		$827,694	$1,223,618
Deferred capital allocations		$46,736	$3,199,038
Current portion of all long term debt		$587,098	$635,903
Total current liabilities		$2,873,205	$8,024,756
School generated liabilities		$497,778	$528,734
Trust liabilities		$392,628	$495,369
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$2,866,717	$3,480,224
Less: Current portion of supported debt		($556,015)	($607,507)
Unsupported: Debentures and Capital Loans		$18,000	$18,000
Capital Leases		$0	$0
Mortgages		$91,597	$113,993
Less: Current portion of unsupported debt		($31,083)	($28,396)
Unamortized capital allocations		$18,187,469	$13,636,050
Total long term liabilities		$21,467,091	$17,636,467
TOTAL LIABILITIES		$24,340,296	$25,661,223
NET ASSETS			
Unrestricted net assets		($1)	$0
Operating Reserves		$3,918,949	$3,250,961
Accumulated Operating Surplus (Deficit)		$3,918,948	$3,250,961
Investment in capital assets		$3,992,448	$3,483,371
Capital Reserves		$1,650,838	$1,738,365
Total Capital Funds		$5,643,286	$5,221,736
Total net assets		$9,562,234	$8,472,697
TOTAL LIABILITIES AND NET ASSETS		$33,902,530	$34,133,920

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1220

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$24,840,912	$24,032,976	$24,799,886
Alberta Infrastructure	$2,828,458	$2,683,196	$1,412,052
Alberta Finance	$353,895	$395,825	$419,779
Other Government of Alberta	$4,800	$0	$280,468
Federal Government and/or First Nations	$1,936,568	$1,480,660	$1,570,688
Other Alberta school authorities	$218,667	$50,500	$226,716
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$2,084	$1,715	$2,556
Instruction resource fees	$215,268	$185,135	$227,367
Transportation fees	$150,053	$139,000	$147,132
Other sales and services	$166,239	$128,578	$189,645
Investment income	$190,533	$96,000	$167,338
Gifts and donations	$0	$0	$0
Rentals of facilities	$18,055	$25,238	$6,344
Net school generated funds	$253,451	$527,000	$303,544
Gains on disposal of capital assets	$11,318	$0	$11,200
Amortization of capital allocations	$594,618	$596,996	$594,618
Total Revenues	$31,784,919	$30,342,819	$30,359,333
EXPENSES			
Certificated salaries	$13,665,893	$13,685,097	$13,582,355
Certificated benefits	$1,443,352	$1,419,864	$1,484,123
Uncertificated salaries and wages	$6,172,955	$5,191,853	$5,662,635
Uncertificated benefits	$1,279,358	$1,138,276	$999,385
Services, contracts and supplies	$6,347,873	$6,909,920	$5,873,692
Net school generated funds	$253,451	$527,000	$303,544
Capital and debt services			
Amortization of capital assets			
Supported	$594,618	$596,996	$594,618
Unsupported	$544,877	$553,271	$520,904
Total Amortization of capital assets	$1,139,495	$1,150,267	$1,115,522
Interest on capital debt			
Supported	$353,655	$395,825	$419,629
Unsupported	$14,925	$2,880	$18,195
Total interest on capital debt	$368,580	$398,705	$437,824
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$24,425	$0	$0
Total Expenses	$30,695,382	$30,420,982	$29,459,080
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,089,537	($78,163)	$900,253
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,089,537	($78,163)	$900,253

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1220

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,089,537	$900,253
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($594,618)	($594,618)
Total amortization expense	$1,139,495	$1,115,522
Gains on disposal of capital assets	($11,318)	($11,200)
Losses on sale of capital assets	$24,425	$0
Changes in accrued accounts:		
Accounts receivable	($1,041,502)	($187,535)
Prepaids and other current assets	($38,602)	$73,648
Payables and accrued liabilities	($1,554,520)	$1,352,970
Deferred revenue	($395,924)	$182,166
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,383,027)	$2,831,206
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($4,818,914)	($6,865,243)
Equipment		$0
Vehicles	($925,980)	($531,478)
Net proceeds from disposal of capital assets	$83,395	$11,200
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($5,661,499)	($7,385,521)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,470,531	$4,459,452
Issue of long term debt	$0	$0
Repayment of long term debt	($635,903)	($633,505)
Add back: supported portion	$523,204	$523,204
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,357,832	$4,349,151
Net sources (uses) of cash equivalents[1] during year	($5,686,694)	($205,164)
Cash Equivalents at the beginning of the year	$11,375,513	$11,580,677
Cash Equivalents at the end of the year	$5,688,819	$11,375,513

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1220

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$8,472,697	$3,471,318	$0	$5,001,379	$2,588,340	$230,965	$293,729	$0	$254,180	$338,357	$110,294	$30,535	$1,154,979	$0	$0
Prior period adjustments (describe)															
Disposal of vehicles in 2000/01 and	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
gain/loss not presented correctly.	$0	$12,053	$0	($12,053)	$0	$0	$0	$0	$0	$0	$0	$0	($12,053)	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$8,472,697	$3,483,371	$0	$4,989,326	$2,588,340	$230,965	$293,729	$0	$254,180	$338,357	$110,294	$30,535	$1,142,926	$0	$0
Surplus(def) of revenue over expenses	$1,089,537		$1,089,537												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$1,122,060		($1,122,060)	$0	($196,080)	$0		($58,148)	$0	$0	$0	($867,832)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,139,495)	$1,139,495												
Amortization of capital allocations		$594,618	($594,618)												
Disposal of unsupported capital assets		($96,502)	$13,107	$83,395		$0			$21,495		$0		$61,900		$0
Disposal of supported capital assets	$0		$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$28,396	($28,396)												
Net transfers to operating reserves			($740,693)	$740,693	$612,291					$128,402				$0	
Net transfers from operating reserves			$72,705	($72,705)	$0		($72,705)			$0		$0		$0	
Net transfers to capital reserves			($951,138)	$951,138		$0			$71,725		$6,584		$872,829		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$9,562,234	$3,992,448	($1)	$5,569,787	$3,200,631	$34,885	$221,024	$0	$289,252	$466,759	$116,878	$30,535	$1,209,823	$0	$0

School Jurisdiction Code: 1220

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$3,199,038	$13,636,050
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$3,199,038	$13,636,050
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$1,427,239	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$43,292	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$523,204
Expended capital allocations - current year		($4,622,833)	$4,622,833
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$594,618
Balance at August 31, 2003		$46,736	$18,187,469

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

HIGH PRAIRIE SCHOOL DIVISION NO. 48
Notes to the Financial Statements
Year ended August 31, 2003

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1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for instruction, support and capital purposes under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

Revenue is recognized as follows:

i) Instruction and support allocations are recognized in the year to which they relate.

ii) Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

iii) Capital allocations from the Province or other agencies are recorded as deferred capital contributions. Once spent, they are amortized to revenue on the same basis as the capital asset acquired by the grant.

iv) Unrestricted donations are recognized as revenue when received or receivable. Donations in kind are recorded at fair market value when reasonably determinable.

v) Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining the fair value of the services and due to the fact that such assistance is generally not purchased, contributed services are not recognized in the financial statements.

Inventories

Inventories are recorded at the lesser of cost and net realizable value.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. ACCOUNTING POLICIES (continued)

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school related items that will be consumed subsequent to year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 10%
Vehicles	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized the same period as the related asset.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the High Prairie School Division No. 48 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $97,764.55 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Employee future benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

2. ACCOUNTING POLICIES (continued)

Net investment in capital assets

Net investment in capital assets consists of an accumulation of amounts based on the following principles:

i) an amount equal to the capital assets funded from capital reserves and government grants;

ii) an amount equal to the principal repayments on long-term debt added to the equity in capital assets account in the year of repayment;

iii) an amount equal to the net book value of capital assets disposals deleted from the equity in capital assets account in the year of disposal;

iv) an amount equal to the depreciation on capital assets charged to the equity in capital assets account annually.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally to set aside funds for operating and for future capital expendiures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these instruments approximates their School Act and Section 5 of the Trustees Act.

Statement of cash flow

The statement of cash flow has been prepared using the indirect method.

3. ACCOUNTS RECEIVABLE

	2003	2002
Provincial government	$ 1,722,042	$ 452,002
Federal government	$ 104,203	$ 229,117
Other	$ 90,572	$ 194,196
	$ 1,916,817	$ 875,315

4. SUPPORTED DEBENTURES RECEIVABLE

Supported debentures receivable consist of amounts receivable from the Province of Alberta for debentures repayments for items previously expensed.

5. CAPITAL ASSETS

	2003			2002
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Buildings	$ 22,821,916	$ 13,582,419	$ 9,239,497	$ 9,675,560
Vehicles	6,044,087	2,588,475	3,455,612	3,147,975
Construction in Progress	12,415,367	-	12,415,367	7,796,044
	$ 41,281,370	$ 16,170,894	$ 25,110,476	$ 20,619,579

6. DEFERRED REVENUE

One-Time Grant	268,799	283,374
Building Quality Restoration Program (BQRP)	103,459	438,493
AISI	98,324	
Other	73,802	81,546
	$ 827,695	$ 1,223,618

7. LONG-TERM DEBT

	2003	2002
Debentures	$ 2,884,717	$ 3,498,224
Mortgage	91,597	113,993
Due within one year	(587,098)	(635,903)
	$ 2,389,216	$ 2,976,314

Debentures mature at various dates through November 15, 2013, bearing rates of interest from 6.875 percent to 12 percent. All debentures are supported as to principal and interest except for two debentures totalling $18,000 (2002 - $24,000).

The mortgages mature on March 15 and November 15, 2006, and they bear interest at 12 percent with annual principal and interest payments of $36,076.

7. LONG-TERM DEBT (CONTINUED)

Principal repayments required in each of the next five fiscal years are as follows:

	Principal	Interest	Total
2004	$ 587,099	$ 343,004	$ 930,103
2005	514,202	277,569	791,771
2006	501,628	217,573	719,201
2007	471,120	158,678	629,798
2008	403,686	103,438	507,124
Thereafter	498,579	98,329	596,908
	$ 2,976,314	$ 1,198,591	$ 4,174,905

8. COMMITMENTS

Payments under operating equipment leases in each of the next five years are as follows:

2004	$ 110,998
2005	110,998
2006	110,998
2007	110,998
2008	110,998

9. RESERVES

Reserves created by authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board.

	Balance Beginning of Year	Appropriated During the Year	Utilized During the Year	Balance End of Year
Operating	$ 3,250,961	$ 667,988		$ 3,918,949
Capital				
Land	$ 34,752	$ -	$ -	$ 34,752
Buildings	125,719	23,036	-	148,755
Equipment	267,006	-	(196,081)	70,925
Vehicles	1,310,888	85,518	-	1,396,406
	$ 1,738,365	$ 108,554	$ (196,081)	$ 1,650,838
	$ 4,989,326	$ 776,542	$ (196,081)	$ 5,569,787

9. RESERVES (CONTINUED)

The operating reserve balance is comprised of the following:

	2003	2002
Specific school surplus (deficit)		
C. J. Schurter	$ 271,448	$ 225,432
Prairie River	358,629	343,299
Kinuso	294,333	328,625
Roland Michener	239,930	164,806
Lakeside	531,544	373,569
E. W. Pratt	(10,792)	(104,106)
H. P. Elementary	45,164	68,960
Joussard	113,110	80,144
Routhier	44,345	100,420
E. G. Wahlstrom	102,451	140,778
Joint fund	21,541	14,397
Prairie View Outreach	26,571	10,246
G. P. Vanier	196,894	102,753
	2,235,168	1,849,323
Administration	466,757	338,357
Maintenance	221,024	293,729
Transportation	30,535	30,535
General instruction	965,465	739,017
	$ 3,918,949	$ 3,250,961

10. EXTERNAL SERVICES

Included in the statement of revenues and expenses are the following amounts:

	2003	2002
Revenues		
Contracted Services	$ 139,571	$ 120,895
Bus Rental - Firefighting	-	291,708
Admin Fee	8,500	-
	$ 148,071	$ 412,603
Expenses		
Services, contracts & supplies	$ 148,071	$ 49,161
Salaries, wages and benefits	-	85,215
	$ 148,071	$ 134,376
	$ -	$ 278,227

11. CAPITAL RECONCILIATION

Total Capital Assets		$ 25,110,477	
Deduct:			
Long term debt			
Supported		(2,866,717)	
Unsupported		(109,597)	
* BQRP Debentures (not capitalized)		45,756	
	Net Total		$ 22,179,919
Unamortized Capital Allocations		$ 18,187,469	
Add: Investment in Capital Assets		3,992,448	
	Net Total		$ 22,179,917
	Variance		$ 2

* Represent 10-year debentures for funds used for BQRP projects that were not capitalized. Amount included in the supported debenture total.

12. PRIOR PERIOD ADJUSTMENT

A prior period adjustment of $12,053 was made to Investment in Capital Assets and Unsupported Capital Reserves to correct an error discovered in the presentation of vehicle disposals in the 2000/2001 Financial Statements.

13. BUDGET AMOUNTS

The budget was prepared by the School Division's management with Board of Trustees' approval given on June 17, 2002. It is presented for information purposes only and has not been audited.

14. APPROVAL OF FINANCIAL STATEMENTS

The board of Trustees has approved these financial statements.

School Jurisdiction Code: 1220

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$18,670,664	$897,722	$17,772,942						
(2) Support block	$4,119,600				$2,873,910			$1,245,690	
(3) Instruction & support block reallocations	$0	($171,980)	$171,980		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$421,931	$0	$421,931						
(5) Student Health Initiative (SHI)	$558,517	$0	$550,017						$8,500
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$844,000	$21,269	$803,910					$18,821	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$226,200	$0	$221,927	$0	$4,273			$0	$0
(11) **Total Alberta Learning Revenue**	$24,840,912	$747,011	$19,942,707	$0	$2,878,183			$1,264,511	$8,500
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$494,518	$0	$0	$494,518					
(13) Operations & Maintenance support	$2,333,940			$2,333,940					
(14) Operations & Maintenance support (One-Time)	$0								
(15) **Total Alberta Infrastructure Revenue**	$2,828,458	$0	$0	$2,828,458					
(16) **Alberta Finance**	$353,895			$353,895	$0			$0	$0
(17) **Other - Government of Alberta**	$4,800	$0	$0	$4,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,936,568	$50,791	$1,596,349	$186,964	$0			$102,464	$0
(19) **Other Alberta school authorities**	$218,667	$0	$1,443	$0	$77,653			$0	$139,571
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$2,084	$0	$0	$0	$0			$2,084	$0
(22) **Instruction resource fees**	$215,268	$10,395	$204,873						
(23) **Transportation fees**	$150,053				$150,053				
(24) **Other sales and services**	$166,239	$0	$28,944	$126,967	$9,978			$350	$0
(25) **Investment income**	$190,533	$0	$138,002	$24,745	$17,131			$10,655	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$18,055		$2,700	$15,355	$0			$0	$0
(28) **Net school generated funds**	$253,451		$253,451					$0	
(29) **Gains on disposal of capital assets**	$11,318		$0	$1,918	$9,400			$0	$0
(30) **Amortization of capital allocations**	$594,618		$0	$594,618	$0				$0
(31) **TOTAL REVENUES**	$31,784,919	$808,197	$22,168,469	$4,137,720	$3,142,398			$1,380,064	$148,071
EXPENSES									
(32) **Certificated salaries**	$13,665,893	$369,660	$12,904,371				$391,862	$391,862	$0
(33) **Certificated benefits**	$1,443,352	$39,496	$1,367,113				$36,743	$36,743	$0
(34) **Uncertificated salaries and wages**	$6,172,955	$103,810	$3,528,706	$678,074	$1,437,334	$52,887	$372,144	$425,031	$0
(35) **Uncertificated benefits**	$1,279,358	$5,496	$827,985	$145,185	$204,415	$19,214	$77,063	$96,277	$0
(36) **SUB - TOTAL**	$22,561,558	$518,462	$18,628,175	$823,259	$1,641,749	$72,101	$877,812	$949,913	$0
(37) **Services, contracts & supplies**	$6,347,873	$289,735	$2,659,262	$2,367,167	$600,743	$51,888	$231,007	$282,895	$148,071
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$253,451		$253,451						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$594,618	$0	$0	$594,618	$0		$0	$0	$0
(41) Unsupported	$544,877	$0	$0	$71,725	$466,568	$0	$6,584	$6,584	$0
(42) Total Amortization	$1,139,495	$0	$0	$666,343	$466,568	$0	$6,584	$6,584	$0
Interest on capital debt									
(43) Supported	$353,655	$0	$0	$353,655	$0		$0	$0	$0
(44) Unsupported	$14,925	$0	$0	$0	$2,654	$0	$12,271	$12,271	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$24,425	$0	$0	$0	$24,425	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$30,695,382	$808,197	$21,540,888	$4,210,424	$2,736,139	$123,989	$1,127,674	$1,251,663	$148,071
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$1,089,537	$0	$627,581	($72,704)	$406,259			$128,401	$0
Applicable student numbers/FTE equivalent	3,752.0	245	3,507.0	3,612.0	2,780			3,830.0	
AVERAGE PROGRAM COSTS per student	$8,181	$3,299	$6,142	$1,166	$984			$345	

School Jurisdiction Code: 1220

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$10,570,879	$1,328,008	$0	$400,118	$476,865	$128,501		$12,904,371
Certificated benefits	$1,131,361	$133,134	$0	$40,461	$48,992	$13,165	$0	$1,367,113
Uncertificated salaries and wages	$963,839	$655,135	$0	$274,961	$1,299,555	$177,772	$157,444	$3,528,706
Uncertificated benefits	$284,402	$117,792	$0	$62,867	$292,781	$39,088	$31,055	$827,985
SUB - TOTAL REMUNERATION	$12,950,481	$2,234,069	$0	$778,407	$2,118,193	$358,526	$188,499	$18,628,175
Services, contracts & supplies	$2,206,004	$0	$0	$0	$0	$91,740	$361,518	$2,659,262
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$253,451							$253,451
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$15,409,936	$2,234,069	$0	$778,407	$2,118,193	$450,266	$550,017	$21,540,888
FTE Certificated				7.2	7.9			
FTE Uncertificated				17.9	69.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$13,966,464	$1,941,642	$2,020,889	$171,980	$18,100,975	$15,561,133	$2,539,842
School Admin & Instruction Support Expenses						$2,234,069	($2,234,069)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$13,966,464	$1,941,642	$2,020,889	$171,980	$18,100,975	$17,795,202	$305,773
Sub-Programs & Initiatives							
Severely Disabled	$2,000,536		$0		$2,000,536	$2,118,193	($117,657)
English as a Second Language	$23,010				$23,010	$23,010	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$254,163		$0		$254,163	$249,643	$4,520
Institutional Programs					$0	$0	$0
Sparsity & Distance	$1,111,744				$1,111,744		$1,111,744
Growth & Density	$3,587				$3,587		$3,587
Teacher Assistants Program	$67,066				$67,066	$67,184	($118)
Early Literacy Initiative (K-2)	$126,061				$126,061	$143,772	($17,711)
Learning Resources Credit & Resources for the Classroom	$35,574	$56,143	$204,873		$296,590	$296,590	$0
Technology Integration	$139,234		$0		$139,234	$801,791	($662,557)
French Language Program & Francisation (all jurisdictions)	$34,013		$0		$34,013	$34,013	($0)
Home Education	$11,490		$0		$11,490	$11,490	$0
Total Sub-Programs & Initiatives	$3,806,478		$204,873		$4,067,494	$3,745,686	$321,808
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$17,772,942	$1,997,785	$2,225,762	$171,980	$22,168,469	$21,540,888	$627,581

School Jurisdiction Code: 1220

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$897,722	$17,772,942		$2,873,910	$1,245,690	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$18,670,664* = *$373,413* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($171,980)	$171,980				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($171,980)	$171,980		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1220

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$18,531,430
Support Block - Transportation	$2,873,910
SUBTOTAL	$21,405,340

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,333,940
Teacher Salary Enhancement	$844,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$4,800
Federal government/First Nations	$1,936,568
Other Alberta school authorities	$218,667
Out of province local authorities	$0
Alberta municipalities	$2,084
Other sales and services	$166,239
Interest on investments	$190,533
Rentals of facilities	$18,055
Gains on disposal of capital assets	$11,318
Amortization of capital allocations	$594,618
School generated funds (Schedule E)	$698,020
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$28,424,182**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.29%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,503,639
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,503,639**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,251,663
PLUS: transfers to Restricted - Operating (Board/System Administration)	$128,402
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,380,065
Maximum Expense Limit for Board & System Administration (Step 3)	$1,503,639
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$123,574

School Jurisdiction Code: 1220

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$528,734
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$698,020	
Less: SGF - related cost recoveries (Note 3)	$475,525	
- capitalized at the District level (Note 4)	$0	
Net Total	$222,495	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$222,495
Net SGF Available for discretionary spending		$751,229
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$253,451
Unexpended SGF - Closing Balance August 31, 2003		$497,778

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1220

SCHEDULE F to the AFS

Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$443,773	$0	$74,445	$159,856	$678,074		$678,074
Uncertificated benefits	$0	$98,748	$0	$14,889	$31,548	$145,185		$145,185
Sub-total Remuneration	$0	$542,521	$0	$89,334	$191,404	$823,259		$823,259
Contracted Services	$616,932	$110,588	$0	$10,365	$63,347	$801,232		$801,232
Supplies	$46,181	$298,370	$0	$394,479	$3,047	$742,077		$742,077
Electricity			$305,496			$305,496		$305,496
Natural Gas/Heating Fuel			$331,695			$331,695		$331,695
Sewer and Water			$43,643			$43,643		$43,643
Telecommunications			$10,199			$10,199		$10,199
Insurance					$132,825	$132,825		$132,825
Amortization of capital assets								
Supported							$594,618	$594,618
Unsupported						$71,725		$71,725
Total Amortization						$71,725	$594,618	$666,343
Interest on capital debt								
Supported							$353,655	$353,655
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$663,113	$951,479	$691,033	$494,178	$390,623	$3,262,151	$948,273	$4,210,424
SQUARE METRES								
School Buildings								46,494.4
Non School Buildings								2,159.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1220

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Marco Gervais	1.0	$10,060	$917	$0	$0	$0	$10,977	$3,813
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Joyce Dvornek	1.0	$8,715	$3,645	$0	$0	$0	$12,360	$3,426
Name	Angela Blanchette	1.0	$5,535	$3,549	$0	$0	$0	$9,084	$444
Name	Neil Deas	1.0	$4,650	$1,198	$0	$0	$0	$5,848	$1,130
Name	Dawn Konelsky	1.0	$12,141	$3,756	$0	$0	$0	$15,897	$4,473
Name	Vivien McCoy	1.0	$7,175	$3,196	$0	$0	$0	$10,371	$2,346
Name	Linda Duchesneau	1.0	$4,610	$3,553	$0	$0	$0	$8,163	$1,076
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$52,886*	*$19,814*	*$0*	*$0*	*$0*	*$72,700*	*$16,707*
Superintendent	Kenneth Riegel	1.0	$116,412	$9,891	$0	$0	$0	$126,303	$16,143
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Raymonde Lussier	1.0	$82,556	$14,595	$0	$0	$0	$97,151	$9,697
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Paul Burrows	1.0	$82,556	$14,595	$0	$0	$0	$97,151	$4,296
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		206.9	$13,549,480	$1,433,461	$0	$0	$0	$14,982,941	
Uncertificated Salaries & Wages		235.4	$5,954,956	$1,230,354	$0	$0	$0	$7,185,310	
TOTALS			**$19,838,846**	**$2,722,710**	**$0**	**$0**	**$0**	**$22,561,556**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1220

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 21

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Holy Family Catholic Regional Division no. 37
Name of School Jurisdiction

10307- 99 Street, Peace River, AB T8S 1R5
Mailing Address

780-624-3956 780-624-1154
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Holy Family Catholic Regional Division no. 37
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

David William Mitchell — "Original Signed By"
Name — Signature

SUPERINTENDENT

Wayne Doll — "Original Signed By"
Name — Signature

SECRETARY TREASURER OR TREASURER

Helen Diaz — "Original Signed By"
Name — Signature

November 26, 2003
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 21

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Auditors' Report

To the Board of Trustees of the
Holy Family Catholic Regional Division No. 37

We have audited the statement of financial position of the Holy Family Catholic Regional Division No. 37 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2003 and the results of its operations and changes in its cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A to G1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Peace River, Alberta
November 21, 2003

School Jurisdiction Code: 21

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,904,541	$4,059,076
Accounts receivable (net after allowances)		$572,735	$1,363,553
Prepaid expenses		$193,295	$193,729
Other current assets		$1,320	$1,392
Total current assets		$5,671,891	$5,617,750
School generated assets		$211,392	$214,666
Trust assets		$181,800	$150,560
Long term accounts receivable		$0	$0
Capital assets			
Land		$965,754	$965,754
Buildings	$29,832,654		
Less: accumulated amortization	($13,731,012)	$16,101,641	$17,047,201
Equipment	$2,081,554		
Less: accumulated amortization	($1,171,055)	$910,498	$976,241
Vehicles	$348,749		
Less: accumulated amortization	($118,364)	$230,385	$227,969
Total capital assets		$18,208,279	$19,217,165
TOTAL ASSETS		$24,273,361	$25,200,141
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$968,457	$939,183
Deferred revenue		$559,682	$592,373
Deferred capital allocations		$23,491	$0
Current portion of all long term debt		$742,158	$770,885
Total current liabilities		$2,293,788	$2,302,441
School generated liabilities		$211,392	$214,666
Trust liabilities		$181,800	$150,560
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$5,854,830	$6,625,686
	Less: Current portion of supported debt	($742,158)	($770,885)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$10,346,060	$10,478,350
Total long term liabilities		$15,851,923	$16,698,377
TOTAL LIABILITIES		$18,145,711	$19,000,818
NET ASSETS			
Unrestricted net assets		$211,365	$178,012
Operating Reserves		$2,721,140	$2,727,898
Accumulated Operating Surplus (Deficit)		$2,932,504	$2,905,910
Investment in capital assets		$2,007,388	$2,113,128
Capital Reserves		$1,187,758	$1,180,285
Total Capital Funds		$3,195,146	$3,293,413
Total net assets		$6,127,650	$6,199,323
TOTAL LIABILITIES AND NET ASSETS		$24,273,361	$25,200,141

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 21

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$14,294,420	$13,863,352	$14,686,072
Alberta Infrastructure	$1,681,349	$1,628,895	$965,344
Alberta Finance	$759,290	$722,147	$937,289
Other Government of Alberta	$39,151	$0	$72,656
Federal Government and/or First Nations	$1,549,431	$1,431,379	$1,526,335
Other Alberta school authorities	$36,741	$15,000	$35,016
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$95,546	$141,120	$115,082
Transportation fees	$0	$0	$0
Other sales and services	$87,749	$3,000	$145,697
Investment income	$161,289	$37,069	$153,017
Gifts and donations	$44,745	$23,809	$78,461
Rentals of facilities	$23,965	$45,083	$19,669
Net school generated funds	$445,966	$300,000	$480,178
Gains on disposal of capital assets	$2,298	$0	$4,910
Amortization of capital allocations	$967,465	$781,341	$731,636
Total Revenues	$20,189,404	$18,992,195	$19,951,362
EXPENSES			
Certificated salaries	$9,628,827	$9,824,691	$9,108,367
Certificated benefits	$1,070,174	$1,333,342	$1,024,941
Uncertificated salaries and wages	$2,815,027	$2,526,771	$2,672,499
Uncertificated benefits	$511,087	$472,088	$460,783
Services, contracts and supplies	$3,810,073	$4,108,345	$3,816,395
Net school generated funds	$445,966	$300,000	$480,178
Capital and debt services			
Amortization of capital assets			
Supported	$967,465	$781,341	$731,637
Unsupported	$290,311	$173,857	$255,283
Total Amortization of capital assets	$1,257,776	$955,198	$986,920
Interest on capital debt			
Supported	$722,147	$722,147	$807,923
Unsupported	$0	$0	$0
Total Interest on capital debt	$722,147	$722,147	$807,923
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$20,261,078	$20,242,582	$19,358,006
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($71,673)	($1,250,387)	$593,356
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$47,264
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($71,673)	($1,250,387)	$640,620

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 21

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($71,673)	$640,620
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($967,465)	($731,636)
Total amortization expense	$1,257,776	$986,920
Gains on disposal of capital assets	($2,298)	($4,910)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$790,818	($444,524)
Prepaids and other current assets	$506	($60,221)
Payables and accrued liabilities	$29,274	$110,074
Deferred revenue	($32,691)	($157,596)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,004,247	$338,727
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($23,042)	($3,629,006)
Equipment	($182,048)	($330,179)
Vehicles	($43,800)	($166,528)
Net proceeds from disposal of capital assets	$2,298	$4,910
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($246,592)	($4,120,803)
C. FINANCING ACTIVITIES		
Capital allocations received	$87,809	$1,115,807
Issue of long term debt	$0	$0
Repayment of long term debt	($770,856)	($805,735)
Add back: supported portion	$770,856	$805,735
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$87,809	$1,115,807
Net sources (uses) of cash equivalents* during year	$845,465	($2,666,269)
Cash Equivalents at the beginning of the year	$4,059,076	$6,725,345
Cash Equivalents at the end of the year	$4,904,541	$4,059,076

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 21

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$6,199,323	$2,113,128	$178,012	$3,908,183	$1,904,348	$392,791	$230,780	$0	$61,546	$418,205	$382,387	$174,565	$0	$0	$343,561
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$6,199,323	$2,113,128	$178,012	$3,908,183	$1,904,348	$392,791	$230,780	$0	$61,546	$418,205	$382,387	$174,565	$0	$0	$343,561
Surplus(def) of revenue over expenses	($71,673)		($71,673)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$184,571	$0	($184,571)	$0	($5,940)	($120,908)		$0	($57,723)	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,257,776)	$1,257,776												
Amortization of capital allocations		$967,465	($967,465)												
Disposal of unsupported capital assets	$0	$0	($2,298)	$2,298		$2,298			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($356,080)	$356,080	$202,783		$64,910			$89,981		($1,594)		$0	
Net transfers from operating reserves			$184,208	($184,208)	($9,978)		($174,230)			$0		$0		$0	
Net transfers to capital reserves			($11,115)	$11,115		$0			$0		$11,115		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,127,650	$2,007,388	$211,365	$3,908,897	$2,097,153	$389,149	$552	$0	$61,546	$450,463	$393,502	$172,971	$0	$0	$343,561

School Jurisdiction Code: 21

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$10,478,350
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$10,478,350
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$87,809	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$770,856
Expended capital allocations - current year		($64,318)	$64,318
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$967,465
Balance at August 31, 2003		$23,491	$10,346,060

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Holy Family Catholic Regional Division No. 37
Notes to the Financial Statements

August 31, 2003

1. Authority and Purpose

The School Division delivers education programs under the authority of the School Act, Chapter S. 3.1, Statutes of Alberta, 1988.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with generally accepted accounting principles with the following significant accounting policies.

Revenue Recognition

Revenue is recognized as follows:

1. Instruction and support allocations are recognized in the year in which it is received.
2. Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
3. Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to the unamortized capital allocation balance and are recognized as revenue in the periods in which the amortization expense for these capital assets is recorded. Amounts invested in unamortized capital assets are recorded as direct increases in net assets.
4. Unrestricted donations are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.
5. Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are recorded at cost. Items costing less than $5,000 are expensed when purchased.

Capital assets are amortized on a straight- line basis over the assets' estimated useful life as follows:

Vehicles	5 years
Buildings	10 to 40 years
Furniture and equipment	5 to 10 years

School generated funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointees.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances on deposit with banks.

2. Summary of Significant Accounting Policies (continued)

Contributed services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The carrying value of accounts receivable, bank loans, accounts payable and accrued liabilities approximates their fair value because of the short-term maturities of these items.

The carrying value of long-term debt approximates their fair values because the interest rates approximates market value.

Measurement Uncertainty

The financial statements by their nature, contain estimates and are subject to measurement uncertainty. The accounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. The effect, on the financial statements, of changes in such estimates in future periods could be significant.

Pension obligation

The pension obligation is the School Division's portion of the Local Authorities Pension Plan's (LAPP) total unfunded pension liability, including deferred adjustments arising from experience gains and losses and changes in actuarial assumptions. The portion is determined as the ratio of pensionable earnings of the School Division's uncertificated employees to all those in the plan.

Pension expense includes pension obligations earned by uncertificated employees during the year, interest on the unfunded pension obligation, amortization of deferred adjustments over the expected average remaining service life of employees, and the effect of changes in the ratio used to allocate the unfunded liability to participation entities.

3. Capital assets

			2003	2002
	Cost	Accumulated Depreciation	**Net Book Value**	Net Book Value
Land	$ 965,754	$ -	**$ 965,754**	$ 965,754
Buildings	29,832,653	13,731,012	**16,101,641**	17,047,201
Vehicles	348,749	118,364	**230,385**	227,968
Furniture and equipment	2,081,554	1,171,055	**910,499**	976,241
	$ 33,228,710	$ 15,020,431	**$ 18,208,279**	$ 19,217,164

4. Long-term Debt

		2003		2002
Debentures, with interest ranging from 7.25% to 12.00%, repayable in annual principal payments of $770,855 plus interest, maturing from 2003 to 2017.	$	**5,854,831**		6,625,686
Less: current portion		**742,158**		770,855
	$	**5,112,673**	$	5,854,831

Principal repayments over the next five fiscal years are as follows:

2004	$	**742,158**
2005		**703,890**
2006		**672,738**
2007		**653,758**
2008 to maturity		**3,082,287**

5. Deferred Revenue

		2003		2002
One time grant funding	$	**23,701**	$	31,346
AB infrastructure		**489,193**		489,293
AMFC rebate – energy program		**-**		37,143
Other		**46,788**		34,591
	$	**559,682**	$	592,373

6. Budget Amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on May 30, 2002. It is presented for information purposes only and has not been audited.

7. Approval of Financial Statements

These financial statements were approved by management.

8. Contingencies

A number of claims have been filed against the Government of Canada. These claims stem from allegations that occurred in residential schools during a period ranging from the early 1960's to the early 1970's. The Division has been named as a third party with the Government of Canada in these claims. With respect to one of the claims, the Division has been named as defendant.

The Division has entered into an Indemnity Agreement in which the Province of Alberta has agreed to indemnify Holy Family Catholic Regional Division for these claims and related costs incurred.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 21

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$12,381,714	$670,327	$11,691,387						
(2) Support block	$1,044,792				$221,558			$823,234	
(3) Instruction & support block reallocations	$0	($10,429)	($37,490)		$47,918			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$296,728	$10,467	$286,261						
(5) Student Health Initiative (SHI)	$9,838	$0	$3,227						$6,610
(6) Supernet Access	$0							$0	
(7) Teacher Salary Enhancement (TSE)	$555,000	$19,023	$524,090					$11,887	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$26,348	$0	$26,348	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$14,294,420	$689,388	$12,493,824	$0	$269,476			$835,121	$6,610
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$213,400	$0	$0	$213,400					
(13) Operations & Maintenance support	$1,467,949			$1,467,949					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,681,349	$0	$0	$1,681,349					
(16) **Alberta Finance**	$759,290			$747,317	$0			$0	$11,974
(17) **Other - Government of Alberta**	$39,151	$0	$4,860	$3,800	$0			$0	$30,491
(18) **Federal Government and/or First Nations**	$1,549,431	$47,128	$1,321,071	$80,304	$0			$77,485	$23,441
(19) **Other Alberta school authorities**	$36,741	$0	$9,109	$1	$0			$0	$27,631
(20) **Out of province authorities**	$0	$0		$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0		$0	$0			$0	$0
(22) **Instruction resource fees**	$95,546	$0	$95,546						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$87,749	$3,927	$60,610	$270	$0			$4,432	$18,500
(25) **Investment income**	$161,289	$0	$97,699	$53,913	$0			$9,677	$0
(26) **Gifts and donations**	$44,745	$0	$7,884	$0	$0				$36,861
(27) **Rentals of facilities**	$23,965			$10,802	$0			$1,335	$11,827
(28) **Net school generated funds**	$445,966		$445,966					$0	
(29) **Gains on disposal of capital assets**	$2,298		$2,298	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$967,465		$0	$967,465	$0				$0
(31) TOTAL REVENUES	$20,189,404	$740,443	$14,538,876	$3,545,221	$269,476			$928,051	$167,336
EXPENSES									
(32) **Certificated salaries**	$9,628,827	$280,365	$9,130,807				$209,200	$209,200	$8,455
(33) **Certificated benefits**	$1,070,174	$31,720	$1,017,999				$19,360	$19,360	$1,095
(34) **Uncertificated salaries and wages**	$2,815,027	$227,253	$1,779,520	$376,497	$18,577	$57,426	$287,343	$344,768	$68,413
(35) **Uncertificated benefits**	$511,087	$41,488	$321,673	$72,610	$4,155	$733	$58,427	$59,160	$12,001
(36) **SUB - TOTAL**	$14,025,115	$580,826	$12,249,998	$449,107	$22,732	$58,158	$574,330	$632,488	$89,964
(37) **Services, contracts & supplies**	$3,810,073	$167,854	$1,681,437	$1,430,171	$246,373	$83,117	$115,448	$198,565	$85,674
(38) **Cost recoveries & transfers (must balance to zero)**	$0	($1,965)	$12,399	$0	$1,965	$8,693	$13,062	$21,754	($34,153)
(39) **Net school generated funds**	$445,966		$445,966						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$967,465	$0	$0	$967,465	$0		$0	$0	$0
(41) Unsupported	$290,311	$0	$152,783	$100,562	$0	$0	$11,114	$11,114	$25,852
(42) Total Amortization	$1,257,776	$0	$152,783	$1,068,027	$0	$0	$11,114	$11,114	$25,852
Interest on capital debt									
(43) Supported	$722,147	$0	$0	$722,147	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$20,261,078	$746,715	$14,542,582	$3,669,452	$271,070	$149,968	$713,954	$863,922	$167,336
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($71,673)	($6,272)	($3,707)	($124,230)	($1,594)			$64,129	$0
Applicable student numbers/FTE equivalent	2,255.0	160	2,175.0	2,255.0	141			2,255.0	
AVERAGE PROGRAM COSTS per student	$8,985	$4,667	$6,686	$1,627	$1,922			$383	

School Jurisdiction Code: 21

SCHEDULE B1 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$6,786,807	$669,240	$0	$823,241	$684,197	$164,095	$3,227	$9,130,807
Certificated benefits	$749,002	$77,516	$0	$93,948	$77,497	$20,035	$0	$1,017,999
Uncertificated salaries and wages	$574,721	$444,149	$0	$115,758	$606,153	$38,739	$0	$1,779,520
Uncertificated benefits	$85,978	$105,351	$0	$20,003	$101,092	$9,248	$0	$321,673
SUB - TOTAL REMUNERATION	$8,196,508	$1,296,256	$0	$1,052,950	$1,468,939	$232,117	$3,227	$12,249,998
Services, contracts & supplies	$1,170,915	$217,126	$0	$38,993	$189,792	$64,611	$0	$1,681,437
Cost recoveries & transfers	$12,399	$0	$0	$0	$0		$0	$12,399
Net school generated funds	$445,966							$445,966
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$152,783	$0	$0					$152,783
Total Amortization	$152,783	$0	$0					$152,783
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$9,978,571	$1,513,382	$0	$1,091,943	$1,658,731	$296,728	$3,227	$14,542,582
FTE Certificated				13.2	10.0			
FTE Uncertificated				5.9	29.4			

SCHEDULE B2 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$8,846,715	$813,579	$1,688,377	($37,490)	$11,311,181	$9,959,142	$1,352,039
School Admin & Instruction Support Expenses						$1,513,382	($1,513,382)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$8,846,715	$813,579	$1,688,377	($37,490)	$11,311,181	$11,472,524	($161,344)
Sub-Programs & Initiatives							
Severely Disabled	$1,376,359		$261,129		$1,637,487	$1,658,731	($21,244)
English as a Second Language	$61,067				$61,067	$82,575	($21,508)
Enhanced Opportunities	$39,000				$39,000	$39,000	$0
First Nations, Metis, and Inuit Education	$140,453		$0		$140,453	$140,453	$0
Institutional Programs	$100,663				$100,663	$100,663	$0
Sparsity & Distance	$872,791				$872,791		$872,791
Growth & Density	$5,049				$5,049		$5,049
Teacher Assistants Program	$42,742				$42,742	$49,748	($7,006)
Early Literacy Initiative (K-2)	$80,050				$80,050	$110,301	($30,251)
Learning Resources Credit & Resources for the Classroom	$22,478	$26,348	$95,546		$144,372	$307,864	($163,492)
Technology Integration	$86,645		$0		$86,645	$564,623	($477,978)
French Language Program & Francisation (all jurisdictions)	$15,135		$0		$15,135	$15,135	($0)
Home Education	$2,242		$0		$2,242	$965	$1,277
Total Sub-Programs & Initiatives	$2,844,672		$356,675		$3,227,695	$3,070,058	$157,637
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$11,691,387	$839,926	$2,045,052	($37,490)	$14,538,876	$14,542,582	($3,707)

School Jurisdiction Code: 21

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$670,327	$11,691,387		$221,558	$823,234	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Not	($10,429)			$10,429		
From all or part of maximum 2% of Instruction block to Transportation		($37,490)		$37,490		
Calculation: 2% of *$12,361,714* = *$247,234* *($47,919)*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($10,429)	($37,490)		$47,919	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 21

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$12,275,069
Support Block - Transportation	$221,558
SUBTOTAL	$12,496,627
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,467,949
Teacher Salary Enhancement	$555,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$39,151
Federal government/First Nations	$1,549,431
Other Alberta school authorities	$36,741
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$87,749
Interest on investments	$161,289
Rentals of facilities	$23,965
Gains on disposal of capital assets	$2,298
Amortization of capital allocations	$967,465
School generated funds (Schedule E)	$502,484
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$17,890,149**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o = 4%	**5.91%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,057,308
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,057,308**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$863,922
PLUS: transfers to Restricted - Operating (Board/System Administration)	$89,981
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$953,903
Maximum Expense Limit for Board & System Administration (Step 3)	$1,057,308
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$103,405

School Jurisdiction Code: 21

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$214,666
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$502,484	
Less: SGF - related cost recoveries (Note 3)	$106,862	
- capitalized at the District level (Note 4)	$0	
Net Total	$395,622	
Plus: Donations Received (Note 5)	$47,070	
Equals: Net Additions to SGF		$442,692
Net SGF Available for discretionary spending		$657,358
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$445,966
Unexpended SGF - Closing Balance August 31, 2003		$211,392

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 21

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$253,664	$64,222	$0	$0	$58,611	$376,497		$376,497
Uncertificated benefits	$49,500	$12,202	$0	$0	$10,908	$72,610		$72,610
Sub-total Remuneration	$303,164	$76,424	$0	$0	$69,519	$449,107		$449,107
Contracted Services	$177,978	$342,642	$0	$213,400	$7,539	$741,558		$741,558
Supplies	$65,051	$3,767	$0	$0	$12	$68,830		$68,830
Electricity			$284,539			$284,539		$284,539
Natural Gas/Heating Fuel			$240,924			$240,924		$240,924
Sewer and Water			$52,349			$52,349		$52,349
Telecommunications			$3,626			$3,626		$3,626
Insurance					$38,345	$38,345		$38,345
Amortization of capital assets								
Supported							$967,465	$967,465
Unsupported						$100,562		$100,562
Total Amortization						$100,562	$967,465	$1,068,027
Interest on capital debt								
Supported							$722,147	$722,147
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$546,193	$422,833	$581,438	$213,400	$115,415	$1,979,840	$1,689,612	$3,669,452
SQUARE METRES								
School Buildings								34,400.4
Non School Buildings								1,705.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 21

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	David William Mitchell	1.0	$15,545	$100	$0	$0	$0	$15,644	$6,003
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Debbir Gour	1.0	$6,968	$157	$0	$0	$0	$7,124	$4,466
Name	Rene Lanctot	1.0	$3,388	$47	$0	$0	$0	$3,435	$5,258
Name	George Ostermeier	1.0	$6,400	$59	$0	$0	$0	$6,459	$4,436
Name	Diane Martel	1.0	$5,542	$79	$0	$0	$0	$5,620	$1,525
Name	Denise Valiquette	1.0	$5,098	$93	$0	$0	$0	$5,190	$4,365
Name	Edna Kosik-Harvey	1.0	$5,828	$106	$0	$0	$0	$5,933	$4,698
Name	Debbie LaRiviere Willier	1.0	$1,340	$23	$0	$0	$0	$1,363	$1,271
Name	Jean Luc Dube	1.0	$7,320	$70	$0	$0	$0	$7,390	$2,211
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$57,426*	*$733*	*$0*	*$0*	*$0*	*$58,159*	*$34,235*
Superintendent	Wayne Doll	1.0	$114,200	$9,806	$0	$0	$0	$124,006	$12,701
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Ian Becker	1.0	$72,159	$13,109	$0	$0	$0	$85,267	$6,367
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Helen Diaz	1.0	$72,159	$12,052	$0	$0	$0	$84,210	$2,711
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		150.6	$9,514,627	$1,060,368	$0	$0	$0	$10,574,995	
Uncertificated Salaries & Wages		101.1	$2,613,284	$485,194	$0	$0	$0	$3,098,478	
TOTALS			$12,443,855	$1,581,260	$0	$0	$0	$14,025,115	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 21

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 4481

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

HOLY SPIRIT CATHOLIC SEPARATE REGIONAL DIVISION NO.4
Name of School Jurisdiction

534 18TH ST SOUTH LETHBRIDGE, AB T1J 3E7
Mailing Address

TELEPHONE NO. 327-9555 FAX NO. 327-9595
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules HOLY SPIRIT CATHOLIC SEPARATE REGIONAL DIVISION NO.4 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

MRS. LYLIA DOLEN-SWEDER	"Original Signed By"
Name	Signature

SUPERINTENDENT

MR. FRANK LETAIN	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

MR. VICTOR PIRIE	"Original Signed By"
Name	Signature

19-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4481

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Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Holy Spirit Catholic Separate Regional Division #4

We have audited the statement of financial position of the Holy Spirit Catholic Separate Regional Division #4 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

October 23, 2003

Chartered Accountants

LETHBRIDGE • FORT MACLEOD • CLARESHOLM • TABER • MILK RIVER • *PINCHER CREEK
* [illegible]

School Jurisdiction Code: 4481

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$6,080,431	$20,350,808
Accounts receivable (net after allowances)		$2,887,995	$1,655,268
Prepaid expenses		$135,877	$35,099
Other current assets		$18,292	$12,984
Total current assets		$9,122,595	$22,054,159
School generated assets		$574,265	$734,544
Trust assets		$273,065	$285,543
Long term accounts receivable		$0	$0
Capital assets			
Land		$837,612	$837,612
Buildings	$42,203,158		
Less: accumulated amortization	($12,595,000)	$29,608,158	$17,991,166
Equipment	$1,876,263		
Less: accumulated amortization	($1,291,091)	$585,172	$777,968
Vehicles	$135,857		
Less: accumulated amortization	($59,296)	$76,561	$88,771
Total capital assets		$31,107,503	$19,695,517
TOTAL ASSETS		$41,077,428	$42,769,763
LIABILITIES			
Current liabilities			
Bank indebtedness		$32,233	$12,834
Accounts payable and accrued liabilities		$2,764,706	$3,474,372
Deferred revenue		$767,630	$1,707,561
Deferred capital allocations		$3,931,631	$14,665,528
Current portion of all long term debt		$695,626	$695,626
Total current liabilities		$8,191,826	$20,555,921
School generated liabilities		$574,265	$734,544
Trust liabilities		$273,065	$285,543
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,392,804	$5,088,430
Less: Current portion of supported debt		($695,626)	($695,626)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$24,242,279	$12,709,944
Total long term liabilities		$28,786,787	$18,122,835
TOTAL LIABILITIES		$36,978,613	$38,678,756
NET ASSETS			
Unrestricted net assets		$287,276	$270,306
Operating Reserves		$1,583,503	$1,744,974
Accumulated Operating Surplus (Deficit)		$1,870,779	$2,015,280
Investment in capital assets		$2,049,453	$1,897,144
Capital Reserves		$178,583	$178,583
Total Capital Funds		$2,228,036	$2,075,727
Total net assets		$4,098,815	$4,091,007
TOTAL LIABILITIES AND NET ASSETS		$41,077,428	$42,769,763

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4481

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$25,831,756	$24,303,812	$25,916,456
Alberta Infrastructure	$4,118,309	$3,041,167	$1,338,825
Alberta Finance	$474,215	$513,845	$547,896
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$1,293,373	$771,839	$1,274,167
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$1,347	$0	$2,440
Instruction resource fees	$166,344	$157,912	$155,544
Transportation fees	$0	$0	$0
Other sales and services	$107,488	$0	$7,611
Investment income	$108,751	$91,123	$88,683
Gifts and donations	$5,300	$0	$45,896
Rentals of facilities	$15,145	$0	$3,800
Net school generated funds	$558,943	$425,515	$345,740
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,018,698	$966,305	$951,468
Total Revenues	$33,699,669	$30,271,518	$30,678,526
EXPENSES			
Certificated salaries	$16,541,746	$15,305,219	$15,157,220
Certificated benefits	$2,006,902	$1,831,006	$1,804,434
Uncertificated salaries and wages	$5,612,990	$5,165,565	$5,258,005
Uncertificated benefits	$1,138,692	$830,116	$987,876
Services, contracts and supplies	$6,332,061	$5,170,825	$5,062,833
Net school generated funds	$558,943	$425,515	$345,740
Capital and debt services			
Amortization of capital assets			
Supported	$1,018,698	$966,305	$951,468
Unsupported	$98,884	$63,122	$77,960
Total Amortization of capital assets	$1,117,582	$1,029,427	$1,029,428
Interest on capital debt			
Supported	$474,215	$513,845	$547,896
Unsupported	$0	$0	$0
Total Interest on capital debt	$474,215	$513,845	$547,896
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$36,795	$0	$6,539
Total Expenses	$33,819,926	$30,271,518	$30,199,971
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($120,257)	$0	$478,555
Block BQRP revenue used for capital purposes	$128,065	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$7,808	$0	$478,555

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4481

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$7,808	$478,555
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,018,698)	($951,468)
Total amortization expense	$1,117,582	$1,029,428
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$36,795	$6,539
Changes in accrued accounts:		
Accounts receivable	($1,232,727)	($1,014,880)
Prepaids and other current assets	($106,086)	$90,138
Payables and accrued liabilities	($709,666)	$1,121,952
Deferred revenue	($939,931)	$212,592
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($2,844,923)	$972,856
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($12,406,440)	($5,220,051)
Equipment	($159,923)	($165,345)
Vehicles	$0	($32,422)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($12,566,363)	($5,417,818)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,121,510	$14,862,883
Issue of long term debt	$0	$0
Repayment of long term debt	($695,626)	($703,170)
Add back: supported portion	$695,626	$703,170
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,121,510	$14,862,883
Net sources (uses) of cash equivalents* during year	($14,289,776)	$10,417,921
Cash Equivalents at the beginning of the year	$20,337,974	$9,920,053
Cash Equivalents at the end of the year	$6,048,198	$20,337,974

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4481

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$4,091,007	$1,897,144	$270,306	$1,923,557	$1,198,497	$103,583	$243,207	$0	$0	$85,162	$75,000	$217,527	$0	$581	$0
Prior period adjustments (describe)															
	$0	$0		$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$4,091,007	$1,897,144	$270,306	$1,923,557	$1,198,497	$103,583	$243,207	$0	$0	$85,162	$75,000	$217,527	$0	$581	$0
Surplus(def) of revenue over expenses	$7,808		$7,808												
Block BQRP funded capital transactions		$128,065	($128,065)												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$159,923		($159,923)	($137,420)	$0	$0		$0	($22,503)	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,117,582)	$1,117,582												
Amortization of capital allocations		$1,018,698	($1,018,698)												
Disposal of unsupported capital assets	$0	($36,795)	$36,795	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($149,463)	$149,463	$58,941		$0			$60,771		$29,751		$0	
Net transfers from operating reserves			$151,011	($151,011)	($150,430)		$0			$0		$0		($581)	
Net transfers to capital reserves			$0	$0					$0		$0		$0		$0
Net transfers from capital reserves			$0	$0					$0		$0		$0		$0
Balance at August 31, 2003	$4,098,815	$2,049,453	$287,276	$1,762,086	$969,588	$103,583	$243,207	$0	$0	$123,430	$75,000	$247,278	$0	$0	$0

School Jurisdiction Code: 4481

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$14,665,528	$12,709,944
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$14,665,528	$12,709,944
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$451,975	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$383,532	
Interest earned on provincial government capital allocations		$286,003	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$695,626
Expended capital allocations - current year		($11,855,407)	$11,855,407
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,018,698
Balance at August 31, 2003		$3,931,631	$24,242,279

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The School Division delivers education programs under the authority of the School Act, Chapter S - 3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for instruction and support under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management=s opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Investments
Investments are valued at cost.

Inventory
Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Capital assets
Capital assets are recorded at cost and amortization is provided for on a straight line basis using the following annual rates:

Equipment and furnishings	5 years
Vehicles and buses	10 years
Buildings	40 years

Buildings and additions	25 years

2. **Summary of significant accounting policies (continued)**

Capital assets (continued)
There is no amortization charged in the year of acquisition.

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay
Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $236,260 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Prepaid expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial instruments
The jurisdiction=s financial instruments consist of cash, accounts

receivable, accounts payable, accrued liabilities, and long-term debt. It is management=s opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

2. Summary of Significant Accounting Policies (continued)

Operating and capital reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits
The jurisdiction accounted for the future cost of employee benefits commencing in the 2000-2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

Measurement uncertainty
The financial statements by their nature, contain estimates and are subject to measurement uncertainty. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided based on management's best information available at the time. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan obligations are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

3. Accounts receivable

	2003	2002
Province of Alberta	$ 1,419,556	$ 352,458
Federal government	627,456	277,515
Alberta municipalities	-	840,006
Indian and Northern Affairs Canada	144,436	-
Kainai Board of Education	212,282	81,389
City of Lethbridge	383,532	-
Other	100,733	103,900
Total	$ 2,887,995	$ 1,655,268

4. Accounts payable and liabilities

	2003	2002
Province of Alberta	$ 257,844	$ 298,268

Federal government and/or First Nations	-	651,731
Other trade payables and accrued liabilities	2,506,862	2,524,373
Total	$ 2,764,706	$ 3,474,372

5. Deferred revenue

	2003	2002
Modernization Block Funding	$ 379,346	$ 377,912
Block BQRP Funding	-	749,042
Alberta Initiative for School Improvement	86,108	165,404
1999 One Time Grant	54,094	254,742
Teacher Assistance Program	15,304	20,240
Severe Disabilities 2000-2003	137,787	85,184
Operation and maintenance one time grant	94,991	-
One Time Grant Funding 2002-2003	-	55,037
	$ 767,630	$ 1,707,561

6. Trust assets and liabilities

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2003	2002
Scholarship trusts	$ 222,009	$ 219,002
Charitable donations	50,741	66,226
Trust awards	315	315
Total	$ 273,065	$ 285,543

7. Long-term debt

The Division has various debentures payable to Alberta Municipal Financing Corporation relating to the acquisition of capital assets bearing interest at rates ranging from 8.875% to 12.0%. The debenture debt is fully supported by Alberta Finance. Principal payments in each of the next five years are estimated as follows:

2003	$ 695,626
2004	695,626

2005	592,876
2006	476,604
2007	476,223
Thereafter	1,455,849
	$ 4,392,804

8. Deferred capital allocations

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. Unamortized capital allocations

Unamortized capital allocations (UCA) represents the jurisdiction=s net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. Internally restricted net assets

Net assets may be restricted by authorization of the Board of Trustees for future capital and operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2003	2002
Operating		
School allocations	$ 753,488	$ 1,021,469
Professional development	216,100	177,028
Operations and maintenance	243,207	243,207
Board Governance	22,000	22,000
System Administration	101,430	63,162
Transportation	247,278	217,527
Special services	-	581
	1,583,503	1,744,974
Capital		
Technology	103,583	103,583
Board and system	75,000	75,000
	178,583	178,583
	$ 1,762,086	$ 1,923,557

11. Capital over expenditure

The School Division has an unfunded over expenditure on a capital project in the amount of $422,967 at year end. This over expenditure will be funded through the Infrastructure Maintenance Program in the next school year.

12. Commitments

The Division is committed to further capital expenditures for tne modernization, replacement and addition of schools of approximately $4,885,073. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

13. Economic dependence on related third party

The School Division=s primary source of income is from the Alberta Government. The Division=s ability to continue viable operations is dependent on this funding.

14. Budget amounts

The budget was prepared by the School Division management with Board of Trustees approval given on June 26, 2002. It is presented for information purposes only and has not been audited.

School Jurisdiction Code: 4481

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	System Administration	Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$21,979,300	$1,558,257	$20,421,043						
(2) Support block	$2,058,612				$824,718			$1,233,894	
(3) Instruction & support block reallocations	$0	($104,646)	$104,646		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$626,225	$0	$626,225						
(5) Student Health Initiative (SHI)	$212,619	$0	$212,619						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$955,000	$38,095	$904,815					$12,090	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$25,831,756	$1,401,706	$22,359,348	$0	$824,718			$1,245,984	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$1,005,593	$0	$0	$1,005,593					
(13) Operations & Maintenance support	$2,953,079			$2,953,079					
(14) Operations & Maintenance support (One-Time)	$159,637			$159,637					
(15) **Total Alberta Infrastructure Revenue**	$4,118,309	$0	$0	$4,118,309					
(16) **Alberta Finance**	$474,215			$474,215	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,293,373	$0	$1,082,782	$140,394	$0			$70,197	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$1,347	$0	$0	$0	$0			$0	$1,347
(22) **Instruction resource fees**	$188,344	$0	$188,344						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$107,488	$0	$107,488	$0	$0			$0	$0
(25) **Investment income**	$108,751	$0	$89,176	$13,050	$0			$6,525	$0
(26) **Gifts and donations**	$5,300	$0	$5,300	$0	$0				$0
(27) **Rentals of facilities**	$15,145		$12,975	$2,170	$0			$0	$0
(28) **Net school generated funds**	$558,943		$558,943					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,018,698		$0	$1,018,698	$0				$0
(31) **TOTAL REVENUES**	$33,699,669	$1,401,706	$24,382,356	$5,766,836	$824,718			$1,322,706	$1,347
EXPENSES									
(32) **Certificated salaries**	$16,541,746	$859,850	$15,672,477				$209,419	$209,419	$0
(33) **Certificated benefits**	$2,006,902	$81,868	$1,910,375				$14,659	$14,659	$0
(34) **Uncertificated salaries and wages**	$5,612,990	$407,225	$3,368,130	$1,353,634	$39,961	$50,232	$391,880	$442,112	$1,928
(35) **Uncertificated benefits**	$1,138,692	$103,692	$636,057	$300,353	$4,056	$9,469	$85,065	$94,534	$0
(36) **SUB - TOTAL**	$25,300,330	$1,252,635	$21,587,039	$1,653,987	$44,017	$59,701	$701,023	$760,724	$1,928
(37) **Services, contracts & supplies**	$6,332,061	$149,071	$2,350,009	$2,605,344	$750,950	$205,973	$270,714	$476,687	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$558,943		$558,943						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,018,698	$0	$0	$1,018,698	$0		$0	$0	$0
(41) Unsupported	$98,884	$0	$59,768	$14,592	$0	$0	$24,524	$24,524	$0
(42) Total Amortization	$1,117,582	$0	$59,768	$1,033,290	$0	$0	$24,524	$24,524	$0
Interest on capital debt									
(43) Supported	$474,215	$0	$0	$474,215	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$36,795	$0	$36,795	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33,819,926	$1,401,706	$24,592,554	$5,766,836	$794,967	$265,674	$996,261	$1,261,935	$1,928
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($120,257)	$0	($210,198)	$0	$29,751			$60,771	($581)
Applicable student numbers/FTE equivalent	4,440.0	315	4,282.0	4,440.0	2,115			4,440.0	
AVERAGE PROGRAM COSTS per student	$7,617	$4,450	$5,743	$1,299	$378			$284	

School Jurisdiction Code: 4481

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$15,153,938	$269,352	$0	$0	$0	$249,187	$0	$15,672,477
Certificated benefits	$1,824,917	$43,096	$0	$0	$0	$42,362	$0	$1,910,375
Uncertificated salaries and wages	$1,434,399	$247,762	$0	$148,076	$1,292,863	$70,604	$174,426	$3,368,130
Uncertificated benefits	$156,828	$30,998	$0	$22,335	$382,332	$12,003	$31,561	$636,057
SUB - TOTAL REMUNERATION	$18,570,082	$591,208	$0	$170,411	$1,675,195	$374,156	$205,987	$21,587,039
Services, contracts & supplies	$1,588,947	$476,745	$0	$0	$25,616	$252,069	$6,632	$2,350,009
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$558,943							$558,943
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$59,768	$0	$0					$59,768
Total Amortization	$59,768	$0	$0					$59,768
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$36,795	$0						$36,795
TOTAL EXPENSES	$20,814,535	$1,067,953	$0	$170,411	$1,700,811	$626,225	$212,619	$24,592,554
FTE Certificated				0.0	0.0			
FTE Uncertificated				5.9	45.8			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$18,030,561	$1,743,659	$1,856,664	$194,646	$21,825,530	$21,000,177	$825,353
School Admin & Instruction Support Expenses						$1,067,953	($1,067,953)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$18,030,561	$1,743,659	$1,856,664	$194,646	$21,825,530	$22,068,130	($242,600)
Sub-Programs & Initiatives							
Severely Disabled	$1,700,811		$0		$1,700,811	$1,700,811	$0
English as a Second Language	$31,450				$31,450	$31,450	$0
Enhanced Opportunities	$50,000				$50,000	$50,000	$0
First Nations, Metis, and Inuit Education	$106,244		$0		$106,244	$106,244	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$14,509				$14,509		$14,509
Growth & Density	$17,893				$17,893		$17,893
Teacher Assistants Program	$92,036				$92,036	$92,036	$0
Early Literacy Initiative (K-2)	$161,188				$161,188	$161,188	$0
Learning Resources Credit & Resources for the Classroom	$0	$0	$166,344		$166,344	$166,344	$0
Technology Integration	$172,043		$0		$172,043	$172,043	$0
French Language Program & Francisation (all jurisdictions)	$44,308		$0		$44,308	$44,308	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$2,390,482		$166,344		$2,556,826	$2,524,424	$32,402
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$20,421,043	$1,743,659	$2,023,008	$194,646	$24,382,356	$24,592,554	($210,198)

School Jurisdiction Code: 4481

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,558,257	$20,421,043		$824,718	$1,233,894	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of | ***$21,979,300*** | = | ***$439,586*** | ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($194,646)	$194,646				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($194,646)	$194,646		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 4481

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$21,807,257
Support Block - Transportation	$824,718
SUBTOTAL	$22,631,975
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,953,079
Teacher Salary Enhancement	$955,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$1,293,373
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$1,347
Other sales and services	$107,488
Interest on investments	$108,751
Rentals of facilities	$15,145
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,018,698
School generated funds (Schedule E)	$2,346,570
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$31,431,426**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.78%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,502,422
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,502,422**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,261,935
PLUS: transfers to Restricted - Operating (Board/System Administration)	$60,771
LESS: transfers from Restricted - Operating (Board/System Administration)	
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,322,706
Maximum Expense Limit for Board & System Administration (Step 3)	$1,502,422
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$179,716

School Jurisdiction Code: 4481

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$734,544
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,346,570	
Less: SGF - related cost recoveries (Note 3)	$2,000,566	
- capitalized at the District level (Note 4)	$0	
Net Total	$346,004	
Plus: Donations Received (Note 5)	$52,660	
Equals: Net Additions to SGF		$398,664
Net SGF Available for discretionary spending		$1,133,208
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$558,943
Unexpended SGF - Closing Balance August 31, 2003		$574,265

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4481

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,092,281	$261,353	$0	$0	$0	$1,353,634		$1,353,634
Uncertificated benefits	$253,211	$47,142	$0	$0	$0	$300,353		$300,353
Sub-total Remuneration	$1,345,492	$308,495	$0	$0	$0	$1,653,987		$1,653,987
Contracted Services	$416,935	$58,465	$0	$1,005,593	$0	$1,480,993		$1,480,993
Supplies	$134,686	$21,190	$0	$0	$0	$155,876		$155,876
Electricity			$501,983			$501,983		$501,983
Natural Gas/Heating Fuel			$346,126			$346,126		$346,126
Sewer and Water			$120,366			$120,366		$120,366
Telecommunications			$0			$0		$0
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$1,018,698	$1,018,698
Unsupported						$14,592		$14,592
Total Amortization						$14,592	$1,018,698	$1,033,290
Interest on capital debt								
Supported							$474,215	$474,215
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,897,113	$388,150	$968,475	$1,005,593	$0	$4,273,923	$1,492,913	$5,766,836
SQUARE METRES								
School Buildings								55,288.0
Non School Buildings								1,163.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4481

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	C Spearman	1.0	$6,017	$123	$3,425	$0	$0	$9,565	$4,075
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	M Welsch	1.0	$5,661	$1,415	$2,712	$0	$0	$9,788	$8,189
Name	S Sawicki	1.0	$5,423	$176	$2,712	$0	$0	$8,311	$3,251
Name	K Tratch	1.0	$5,423	$972	$2,712	$0	$0	$9,107	$2,794
Name	D Demers	1.0	$5,423	$1,415	$2,712	$0	$0	$9,550	$4,918
Name	G Cormican	1.0	$5,423	$63	$2,712	$0	$0	$8,198	$1,718
Name	A Bergen-Henengouwen	1.0	$5,423	$484	$2,712	$0	$0	$8,619	$3,649
Name	L Dolen-Sweder	1.0	$6,016	$1,070	$2,712	$0	$0	$9,798	$4,483
Name	F Williams	1.0	$5,423	$464	$2,712	$0	$0	$8,599	$6,918
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*9.0*	*$50,232*	*$6,182*	*$25,121*	*$0*	*$0*	*$81,535*	*$39,995*
Superintendent	F Letain	1.0	$116,892	$10,786	$3,000	$0	$0	$130,678	$19,664
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	V Pirie	1.0	$99,100	$13,670	$2,333	$0	$0	$115,103	$5,713
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		248.2	$16,424,854	$1,800,464	$29,657	$0	$0	$18,254,975	
Uncertificated Salaries & Wages		196.0	$5,463,658	$1,314,492	$3,225	$0	$0	$6,781,375	
TOTALS			**$22,154,736**	**$3,145,594**	**$63,336**	**$0**	**$0**	**$25,363,666**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4481

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1045

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

HORIZON SCHOOL DIVISION NO. 67
Name of School Jurisdiction

6302 - 56 STREET, TABER, AB T1G 1Z9
Mailing Address

403-223-3547 403-223-2999
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules HORIZON SCHOOL DIVISION NO. 67 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Margaret O'Hara	"Original signed by"
Name	**Signature**

SUPERINTENDENT

Eric Johnson	"Original signed by"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

John Rakai	"Original signed by"
Name	**Signature**

20-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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Mills Unrau Gerlock / Chartered Accountants

[illegible]

To the Board of Trustees
Horizon School Division No. 67:

We have audited the statement of financial position of the Horizon School Division No. 67 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Mills Unrau Gerlock
Chartered Accountants

Taber, Alberta
November 4, 2003

School Jurisdiction Code: 1045

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$7,901,468	$9,127,984
Accounts receivable (net after allowances)		$771,578	$782,530
Prepaid expenses		$0	$11,667
Other current assets		$0	$0
Total current assets		$8,673,046	$9,922,181
School generated assets		$678,628	$633,842
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$501,092	$380,946
Buildings	$24,760,794		
Less: accumulated amortization	($11,261,536)	$13,499,258	$12,646,629
Equipment	$1,314,925		
Less: accumulated amortization	($748,685)	$566,240	$594,936
Vehicles	$501,610		
Less: accumulated amortization	($312,972)	$188,638	$242,568
Total capital assets		$14,755,228	$13,865,079
TOTAL ASSETS		$24,106,902	$24,421,102
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$209,864	$180,995
Deferred revenue		$306,333	$871,495
Deferred capital allocations		$1,538,033	$1,817,720
Current portion of all long term debt		$193,197	$248,631
Total current liabilities		$2,247,427	$3,118,841
School generated liabilities		$678,628	$633,842
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$1,287,595	$1,536,226
	Less: Current portion of supported debt	($193,197)	($248,631)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$10,478,402	$9,775,889
Total long term liabilities		$12,251,428	$11,697,326
TOTAL LIABILITIES		$14,498,855	$14,816,167
NET ASSETS			
Unrestricted net assets		$3,776,267	$3,637,325
Operating Reserves		$2,116,319	$2,131,746
Accumulated Operating Surplus (Deficit)		$5,892,586	$5,769,071
Investment in capital assets		$2,989,232	$2,552,964
Capital Reserves		$726,229	$1,282,900
Total Capital Funds		$3,715,461	$3,835,864
Total net assets		$9,608,047	$9,604,935
TOTAL LIABILITIES AND NET ASSETS		$24,106,902	$24,421,102

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1045

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$23,805,098	$22,549,653	$23,753,362
Alberta Infrastructure	$2,839,635	$2,553,160	$1,535,830
Alberta Finance	$149,171	$149,171	$174,224
Other Government of Alberta	$42,029	$66,000	$128,767
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$250,697	$240,575	$228,195
Transportation fees	$12,627	$12,625	$12,627
Other sales and services	$62,078	$105,300	$56,238
Investment income	$261,373	$186,755	$240,974
Gifts and donations	$129,043	$0	$141,679
Rentals of facilities	$11,689	$10,175	$12,535
Net school generated funds	$985,364	$750,000	$1,042,691
Gains on disposal of capital assets	$16,765	$0	$1,454
Amortization of capital allocations	$416,945	$364,887	$364,886
Total Revenues	$28,982,514	$26,988,301	$27,693,462
EXPENSES			
Certificated salaries	$13,640,787	$13,246,400	$12,609,113
Certificated benefits	$1,463,148	$1,418,534	$1,358,503
Uncertificated salaries and wages	$4,585,174	$4,500,044	$4,281,796
Uncertificated benefits	$719,152	$639,536	$655,055
Services, contracts and supplies	$6,702,353	$6,775,206	$6,794,080
Net school generated funds	$985,364	$750,000	$1,042,691
Capital and debt services			
Amortization of capital assets			
Supported	$416,945	$364,887	$364,886
Unsupported	$271,667	$251,395	$266,273
Total Amortization of capital assets	$688,612	$616,282	$631,159
Interest on capital debt			
Supported	$149,171	$149,171	$174,224
Unsupported	$0	$0	$0
Total interest on capital debt	$149,171	$149,171	$174,224
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$45,642	$0	$17,031
Total Expenses	$28,979,403	$28,095,173	$27,563,652
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$3,111	($1,106,872)	$129,810
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$3,111	($1,106,872)	$129,810

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1045

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$3,111	$129,810
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($416,945)	($364,886)
Total amortization expense	$688,612	$631,159
Gains on disposal of capital assets	($16,765)	($1,454)
Losses on sale of capital assets	$45,642	$17,031
Changes in accrued accounts:		
Accounts receivable	$10,952	($195,738)
Prepaids and other current assets	$11,667	($11,667)
Payables and accrued liabilities	$28,869	($882,132)
Deferred revenue	($565,162)	$50,126
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($210,019)	($627,751)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($120,147)	$0
Buildings	($1,307,352)	($2,082,317)
Equipment	($205,601)	($207,218)
Vehicles	($27,503)	($37,779)
Net proceeds from disposal of capital assets	$52,966	$11,483
Other (describe)		$0
Total sources (uses) of cash from investing activities	($1,607,637)	($2,315,831)
C. FINANCING ACTIVITIES		
Capital allocations received	$591,140	$2,923,011
Issue of long term debt	$0	$0
Repayment of long term debt	($248,631)	($287,543)
Add back: supported portion	$248,631	$287,543
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$591,140	$2,923,011
Net sources (uses) of cash equivalents* during year	($1,226,516)	($20,571)
Cash Equivalents at the beginning of the year	$9,127,984	$9,148,555
Cash Equivalents at the end of the year	$7,901,468	$9,127,984

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1045

# STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$9,604,935	$2,552,964	$3,637,325	$3,414,646	$2,121,746	$0	$0	$0	$0	$10,000	$0	$0	$1,282,900	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$9,604,935	$2,552,964	$3,637,325	$3,414,646	$2,121,746	$0	$0	$0	$0	$10,000	$0	$0	$1,282,900	$0	$0
Surplus(def) of revenue over expenses	$3,111		$3,111												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$789,777	($736,811)	($52,966)		($52,966)	$0		$0	$0	$0	$0		$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($688,612)	$688,612												
Amortization of capital allocations		$416,945	($416,945)												
Disposal of unsupported capital assets	$0	($81,842)	$28,877	$52,966		$52,966			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($724,233)	$724,233	$719,233		$0			$5,000		$0		$0	
Net transfers from operating reserves			$739,660	($739,660)	($739,660)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0				$0
Net transfers from capital reserves			$556,671	($556,671)		$0			$0		$0		($556,671)		$0
Balance at August 31, 2003	$9,608,046	$2,989,232	$3,776,267	$2,842,548	$2,101,319	$0	$0	$0	$0	$15,000	$0	$0	$726,229	$0	$0

School Jurisdiction Code: 1045

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$1,817,720	$9,775,889
Prior period adjustment			
Adjusted balance, August 31, 2002		$1,817,720	$9,775,889
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$561,545	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$29,595	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			
Current Year Debenture Principal Repayment			$248,631
Expended capital allocations - current year		($870,827)	$870,827
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			
Capital allocations amortized to revenue			$416,945
Balance at August 31, 2003		$1,538,033	$10,478,402

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

HORIZON SCHOOL DIVISION NO. 67

NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2003

1. Authority and Purpose

. The School Jurisdiction delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School Jurisdiction received block allocations for instructions and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School Jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principals and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school division to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of determining their fair value and the fact that such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

f) Pensions

Pension costs included in these financial statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Horizon School Division No. 67 does not make pension contributions for certificated staff.

The school division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $79,558 for the year ended August 31, 2003.

g) Financial Instruments

The school jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the school jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of the financial instruments approximate their carrying values. The school jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the school jurisdiction to set aside funds for future operating and capital expenditures. Such reserves are appropriations of accumulated surplus.

3. ACCOUNTS RECEIVABLES

	2003	2002
Province of Alberta	$483,578	$426,511
Federal Government	168,853	205,305
Other	119,147	150,714
Total	$771,578	$782,530

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $400,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31 2003.

5. ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$108,465	$96,172
Other Trade Payables and Accrued Liabilities	101,219	84,823
Total	$209,684	$180,995

6. DEFERRED REVENUE

	2003	2002
2002-03 One Time Equivalent to 3% increase in grants	$	$ 105,326
One time Transportation grant	38,700	
Operations and Maintenance	86,744	57,239
A.I.S.I.	59,255	117,302
Kanadier		9,203
Block BQRP Funding	110,951	463,041
Other	10,683	119,384
Total	$ 306,333	$ 871,495

7. LONG-TERM DEBT

	Principal	Interest	Total
2003-2004	$ 193,197	$ 139,083	$ 332,280
2004-2005	141,089	119,655	260,744
2005-2006	127,790	104,408	232,198
2006-2007	127,743	90,371	218,114
2007-2008	127,720	76,338	204,058
2008 to maturity	570,056	186,719	756,775
Total	$1,287,595	$ 716,574	$2,004,167

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. COMMITMENTS

a) Building Project

The jurisdiction is committed to further capital expenditures for the addition and modernization of Central School for approximately $2,800,000 and Chamberlain School for approximately $4,700,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure. The jurisdiction is also committed to expenditures for a maintenance shop of approximately $500,000. These costs will be fully funded by use of Capital Reserves.

b) Service Providers

As at August 31, 2003, the jurisdiction has $2,200,000 annually for the next four years in commitments relating to transportation service contracts.

11. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Horizon School Division No. 67's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

12. CASH FLOW INFORMATION

	2003	2002
Interest paid	$162,973	$190,522

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

15. CONTINGENT LIABILITIES

The Division is unaware of any possible claims. In management's opinion, should claims develop, an adverse resolution of these matters would not have a material impact on operations or the jurisdiction's financial position.

School Jurisdiction Code: 1045

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$18,496,173	$956,320	$17,539,853						
(2) Support block	$3,691,720				$2,466,500			$1,225,220	
(3) Instruction & support block reallocations	$0	$0	$665,383		($393,027)			($272,356)	$0
(4) Alberta Initiative for School Improvement (AISI)	$482,503	$0	$482,503						
(5) Student Health Initiative (SHI)	$137,511	$0	$137,511						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$774,000	$27,322	$733,365					$13,313	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$223,191	$0	$223,191	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$23,805,098	$983,642	$19,781,806	$0	$2,073,473			$966,177	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$446,237	$0	$0	$446,237					
(13) Operations & Maintenance support	$2,166,551			$2,166,551					
(14) Operations & Maintenance support (One-Time)	$226,847			$226,847					
(15) **Total Alberta Infrastructure Revenue**	$2,839,635	$0	$0	$2,839,635					
(16) **Alberta Finance**	$149,171			$149,171	$0			$0	$0
(17) **Other - Government of Alberta**	$42,029	$0	$36,404	$5,625	$0			$0	
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$250,697	$9,405	$241,292						
(23) **Transportation fees**	$12,627				$12,627				
(24) **Other sales and services**	$62,078	$0	$59,298	$2,780	$0			$0	$0
(25) **Investment income**	$261,373	$0	$209,098	$13,069	$13,069			$26,137	$0
(26) **Gifts and donations**	$129,043	$0	$129,043	$0	$0				$0
(27) **Rentals of facilities**	$11,689			$8,479	$3,210			$0	$0
(28) **Net school generated funds**	$985,364		$985,364					$0	
(29) **Gains on disposal of capital assets**	$16,765		$9,610	$7,155	$0			$0	$0
(30) **Amortization of capital allocations**	$416,945		$0	$416,945	$0				$0
(31) **TOTAL REVENUES**	$28,982,514	$993,047	$21,451,915	$3,442,859	$2,102,379			$992,314	$0
EXPENSES									
(32) **Certificated salaries**	$13,640,787	$480,981	$12,924,277				$235,529	$235,529	
(33) **Certificated benefits**	$1,463,148	$46,948	$1,401,571				$14,629	$14,629	
(34) **Uncertificated salaries and wages**	$4,585,174	$237,844	$3,371,446	$578,180	$17,372	$64,677	$315,655	$380,332	
(35) **Uncertificated benefits**	$719,152	$30,402	$534,680	$87,351	$3,394	$1,822	$61,503	$63,325	
(36) **SUB - TOTAL**	$20,408,261	$796,175	$18,231,974	$665,531	$20,766	$66,499	$627,316	$693,815	$0
(37) **Services, contracts & supplies**	$6,702,353	$57,130	$2,151,224	$2,133,967	$2,081,613	$42,107	$236,312	$278,419	
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$985,364		$985,364						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$416,945	$0	$0	$416,945	$0		$0	$0	$0
(41) Unsupported	$271,667	$0	$174,342	$77,245	$0	$0	$20,080	$20,080	$0
(42) Total Amortization	$688,612	$0	$174,342	$494,190	$0	$0	$20,080	$20,080	$0
Interest on capital debt									
(43) Supported	$149,171	$0	$0	$149,171	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$45,642	$0	$45,642	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$28,979,403	$853,305	$21,588,546	$3,442,859	$2,102,379	$108,606	$883,709	$992,314	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$3,111	$139,742	($136,631)	$0	$0			$0	$0
Applicable student numbers/FTE equivalent	3,432.0	250	3,307.0	3,432.0	1,977			3,432.0	
AVERAGE PROGRAM COSTS per student	$8,444	$3,413	$6,528	$1,003	$1,063			$289	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$10,688,381	$1,306,903	$0	$391,250	$334,411	$188,702	$14,630	$12,924,277
Certificated benefits	$1,184,589	$115,529	$0	$46,997	$34,888	$19,555	$13	$1,401,571
Uncertificated salaries and wages	$1,010,626	$608,021	$0	$570,867	$876,999	$206,182	$98,751	$3,371,446
Uncertificated benefits	$158,011	$120,038	$0	$87,231	$122,897	$32,581	$13,922	$534,680
SUB - TOTAL REMUNERATION	$13,041,607	$2,150,491	$0	$1,096,345	$1,369,195	$447,020	$127,316	$18,231,974
Services, contracts & supplies	$1,969,020	$63,709	$7,953	$17,302	$35,317	$52,804	$5,119	$2,151,224
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$985,364							$985,364
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$174,342	$0	$0					$174,342
Total Amortization	$174,342	$0	$0					$174,342
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$45,642	$0						$45,642
TOTAL EXPENSES	$16,215,975	$2,214,200	$7,953	$1,113,647	$1,404,512	$499,824	$132,435	$21,588,546
FTE Certificated				7.0	5.0			
FTE Uncertificated				35.3	62.4			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$14,729,533	$1,528,343	$1,428,817	$665,383	$18,352,076	$16,509,509	$1,842,567
School Admin & Instruction Support Expenses						$2,214,200	($2,214,200)
System Instruction Support Expenses						$7,953	($7,953)
Total Basic Instruction	$14,729,533	$1,528,343	$1,428,817	$665,383	$18,352,076	$18,731,662	($379,586)
Sub-Programs & Initiatives							
Severely Disabled	$1,167,152		$0		$1,167,152	$1,404,512	($237,360)
English as a Second Language	$316,041				$316,041	$273,916	$42,125
Enhanced Opportunities	$38,000				$38,000	$37,359	$641
First Nations, Metis, and Inuit Education	$34,444		$0		$34,444	$37,074	($2,630)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$824,521				$824,521		$824,521
Growth & Density	$39,108				$39,108		$39,108
Teacher Assistants Program	$74,702				$74,702	$75,810	($1,108)
Early Literacy Initiative (K-2)	$138,420				$138,420	$128,035	$10,385
Learning Resources Credit & Resources for the Classroom	$33,282	$48,227	$241,292		$322,801	$322,801	$0
Technology Integration	$142,201		$0		$142,201	$573,659	($431,458)
French Language Program & Francisation (all jurisdictions)	$2,198		$0		$2,198	$2,198	$0
Home Education	$251		$0		$251	$1,520	($1,269)
Total Sub-Programs & Initiatives	$2,810,320		$241,292		$3,099,839	$2,856,884	$242,955
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$17,539,853	$1,576,570	$1,670,109	$665,383	$21,451,915	$21,588,546	($136,631)

School Jurisdiction Code: 1045

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$956,320	$17,539,853		$2,466,500	$1,225,220	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$18,496,173* = *$369,923* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$393,027		($393,027)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$272,356			($272,356)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$665,383		($393,027)	($272,356)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1045

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$18,353,972
Support Block - Transportation	$2,466,500
SUBTOTAL	$20,820,472
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,166,551
Teacher Salary Enhancement	$774,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$42,029
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$62,078
Interest on investments	$261,373
Rentals of facilities	$11,689
Gains on disposal of capital assets	$16,765
Amortization of capital allocations	$416,945
School generated funds (Schedule E)	$1,404,528
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$25,976,430**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%

If "Total Net Enrolled Students" are 2,000 and le = 6%

5.35%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,389,739
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,389,739**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$992,314
PLUS: transfers to Restricted - Operating (Board/System Administration)	$5,000
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$997,314
Maximum Expense Limit for Board & System Administration (Step 3)	$1,389,739
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$392,425

School Jurisdiction Code: 1045

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$633,842
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,404,528	
Less: SGF - related cost recoveries (Note 3)	$374,378	
- capitalized at the District level (Note 4)	$0	
Net Total	$1,030,150	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$1,030,150
Net SGF Available for discretionary spending		$1,663,992
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$985,364
Unexpended SGF - Closing Balance August 31, 2003		$678,628

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1045

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$215,867	$270,270	$0	$0	$92,043	$578,180		$578,180
Uncertificated benefits	$32,997	$42,593	$0	$0	$11,761	$87,351		$87,351
Sub-total Remuneration	$248,864	$312,863	$0	$0	$103,804	$665,531		$665,531
Contracted Services	$508,343	$171,616	$0	$362,157	$2,509	$1,044,625		$1,044,625
Supplies	$121,026	$111,547	$0	$84,090	$33,644	$350,307		$350,307
Electricity			$311,839			$311,839		$311,839
Natural Gas/Heating Fuel			$264,143			$264,143		$264,143
Sewer and Water			$44,044			$44,044		$44,044
Telecommunications			$4,335			$4,335		$4,335
Insurance					$114,674	$114,674		$114,674
Amortization of capital assets								
Supported							$416,945	$416,945
Unsupported						$77,245		$77,245
Total Amortization						$77,245	$416,945	$494,190
Interest on capital debt								
Supported							$149,171	$149,171
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$878,233	$596,026	$624,361	$446,247	$254,631	$2,876,743	$566,116	$3,442,859
SQUARE METRES								
School Buildings								53,870.0
Non School Buildings								170.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1045

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Grace Giesbrecht	1.0	$9,925	$273	$0	$0	$0	$10,198	$2,007
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Derek Baron	1.0	$9,064	$249	$0	$0	$0	$9,313	$2,338
Name	Simon Bekkering	1.0	$9,227	$301	$0	$0	$0	$9,528	$1,537
Name	Sharon Hoffman	1.0	$9,064	$249	$0	$0	$0	$9,313	$1,199
Name	Bruce Francis	1.0	$9,064	$249	$0	$0	$0	$9,313	$1,015
Name	Marie Logan	1.0	$9,064	$249	$0	$0	$0	$9,313	$2,131
Name	Margaret O'Hara	1.0	$9,269	$252	$0	$0	$0	$9,521	$3,270
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$64,677*	*$1,822*	*$0*	*$0*	*$0*	*$66,499*	*$13,497*
Superintendent		1.0	$125,000	$7,045	$0	$0	$0	$132,045	$0
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		1.0	$87,779	$14,033	$0	$0	$0	$101,812	$0
Secretary/Treasurer	Associate Superintendent-Finance & Operations	0.1	$5,192	$1,104	$0	$0	$0	$6,296	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		207.4	$13,515,787	$1,456,103	$0	$0	$0	$14,971,890	
Uncertificated Salaries & Wages		201.4	$4,427,526	$702,193	$0	$0	$0	$5,129,719	
TOTALS			**$18,225,961**	**$2,182,300**	**$0**	**$0**	**$0**	**$20,408,261**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1045

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code 4105

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT No. 150
Name of School Jurisdiction

4810-46TH STREET, BONNYVILLE, ALBERTA T9N 1B5
Mailing Address

TELEPHONE: 780-826-3764 FAX: 780-826-7576
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules c LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT No. 150
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

MAURICE CAMPEAU — "Original Signed By"
Name — Signature

SUPERINTENDENT

BERNADETTE PROVOST — "Original Signed By"
Name — Signature

SECRETARY TREASURER OR TREASURER

DOUG EWANOWICH — "Original Signed By"
Name — Signature

19-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 4105

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AUDITORS' REPORT

To the Board of Trustees of:
Lakeland Roman Catholic Separate School District No. 150

We have audited the statement of financial position of the Lakeland Roman Catholic Separate School District No. 150 (School District) as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School District as at August 31, 2003, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bonnyville, Alberta
November 6, 2003

Ross Topylki LLP
Chartered Accountants

ROSS
TOPYLKI

School Jurisdiction Code: 4105

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,250,557	$4,317,935
Accounts receivable (net after allowances)		$984,973	$800,844
Prepaid expenses		$149,586	$74,342
Other current assets		$302,757	$140,142
Total current assets		$5,687,873	$5,333,263
School generated assets		$115,724	$159,417
Trust assets		$10,854	$10,551
Long term accounts receivable		$0	$0
Capital assets			
Land		$519,760	$526,395
Buildings	$16,797,213		
Less: accumulated amortization	($8,642,603)	$8,154,610	$8,663,640
Equipment	$864,646		
Less: accumulated amortization	($581,519)	$283,127	$239,051
Vehicles	$169,437		
Less: accumulated amortization	($99,912)	$69,525	$99,467
Total capital assets		$9,027,022	$9,528,553
TOTAL ASSETS		$14,841,473	$15,031,784
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,371,705	$825,033
Deferred revenue		$641,375	$536,243
Deferred capital allocations		$0	$0
Current portion of all long term debt		$368,312	$368,312
Total current liabilities		$2,381,392	$1,729,588
School generated liabilities		$115,724	$159,417
Trust liabilities		$10,854	$10,551
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$3,034,658	$3,402,970
Less: Current portion of supported debt		($368,312)	($368,312)
Unsupported Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$4,510,689	$4,610,255
Total long term liabilities		$7,303,613	$7,814,881
TOTAL LIABILITIES		$9,685,005	$9,544,469
NET ASSETS			
Unrestricted net assets		$0	$210,771
Operating Reserves		$2,422,864	$2,522,358
Accumulated Operating Surplus (Deficit)		$2,422,864	$2,733,129
Investment in capital assets		$1,481,675	$1,515,329
Capital Reserves		$1,251,929	$1,238,857
Total Capital Funds		$2,733,604	$2,754,186
Total net assets		$5,156,468	$5,487,315
TOTAL LIABILITIES AND NET ASSETS		$14,841,473	$15,031,784

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4105

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$12,546,256	$12,578,037	$12,686,965
Alberta Infrastructure	$1,562,079	$1,405,105	$813,434
Alberta Finance	$335,621	$358,158	$440,483
Other Government of Alberta	$24,650	$3,800	$62,206
Federal Government and/or First Nations	$555,360	$501,115	$664,761
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$2,000	$0	($3,504)
Alberta Municipalities (excluding supplementary requisitions)	($1,138)	$0	$1,435
Instruction resource fees	$52,541	$58,655	$54,545
Transportation fees	$0	$0	$0
Other sales and services	$13,129	$0	$41,257
Investment income	$138,006	$100,000	$127,776
Gifts and donations	$41,227	$0	$24,046
Rentals of facilities	$0	$0	$0
Net school generated funds	$435,369	$270,000	$371,632
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$645,430	$637,466	$652,725
Total Revenues	$16,350,530	$15,912,336	$15,937,761
EXPENSES			
Certificated salaries	$7,945,068	$7,764,475	$7,396,826
Certificated benefits	$1,042,222	$954,489	$937,123
Uncertificated salaries and wages	$2,600,417	$2,071,438	$2,305,593
Uncertificated benefits	$622,490	$588,551	$519,023
Services, contracts and supplies	$2,900,577	$3,186,692	$2,941,980
Net school generated funds	$435,369	$270,000	$371,632
Capital and debt services			
Amortization of capital assets			
Supported	$645,430	$637,466	$652,725
Unsupported	$154,183	$81,067	$110,872
Total Amortization of capital assets	$799,613	$718,533	$763,597
Interest on capital debt			
Supported	$335,621	$358,158	$374,435
Unsupported	$0	$0	$0
Total Interest on capital debt	$335,621	$358,158	$374,435
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$7,580
Total Expenses	$16,681,377	$15,912,336	$15,617,789
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($330,847)	$0	$319,972
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$9,734
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($330,847)	$0	$329,706

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements

School Jurisdiction Code: 4105

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($330,847)	$329,706
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($645,430)	($652,725)
Total amortization expense	$799,613	$763,597
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$7,580
Changes in accrued accounts:		
Accounts receivable	($184,129)	($85,477)
Prepaids and other current assets	($237,859)	$2,934
Payables and accrued liabilities	$546,672	($340,298)
Deferred revenue	$105,132	($136,278)
Employee future benefit expense (recovery)	$0	$0
Other (describe)		$0
Total sources (uses) of cash from Operations	$53,152	($110,961)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($374)	($33,443)
Buildings	($158,471)	($421,341)
Equipment	($139,237)	($3,647)
Vehicles	$0	($65,406)
Net proceeds from disposal of capital assets	$0	$3,000
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($298,082)	($520,837)
C. FINANCING ACTIVITIES		
Capital allocations received	$177,553	$320,039
Issue of long term debt	$0	$0
Repayment of long term debt	($368,312)	($368,312)
Add back: supported portion	$368,311	$368,312
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$177,552	$320,039
Net sources (uses) of cash equivalents* during year	($67,378)	($311,759)
Cash Equivalents at the beginning of the year	$4,317,935	$4,629,694
Cash Equivalents at the end of the year	$4,250,557	$4,317,935

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements

School Jurisdiction Code: 4105

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS Columns 5 to 15	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$5,487,315	$1,515,329	$210,771	$3,761,215	$1,721,670	$800,648	$567,057	$25,596	$93,967	$233,631	$318,646	$0	$0	$0	$0
Prior period adjustments (describe)															
Correction of unsupported capital	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
reserves missclassfied as	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
supported capital reserves	$0	$0	$0	$0	$0	$0	$0	($25,596)	$0	$0	$25,596	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$5,487,315	$1,515,329	$210,771	$3,761,215	$1,721,670	$800,648	$567,057	$0	$93,967	$233,631	$344,242	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($330,847)		($330,847)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$120,529	$0	($120,529)	$0	($78,851)	$0		$0	$0	($41,678)	$0	$0	$0	$0
Donations of non amortizable assets	$0	$0													
Amortization of capital assets		($799,613)	$799,613												
Amortization of capital allocations		$645,430	($645,430)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$99,494	($99,494)	($18,772)		($80,722)			$0		$0		$0	
Net transfers to capital reserves			($133,601)	$133,601		$78,851			$35,650		$19,100		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$5,156,468	$1,481,675	$0	$3,674,793	$1,702,898	$800,648	$486,335	$0	$129,617	$233,631	$321,664	$0	$0	$0	$0

School Jurisdiction Code: 4105

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$4,610,255
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$4,610,255
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$177,553	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$368,311
Expended capital allocations - current year		($177,553)	$177,553
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$645,430
Balance at August 31, 2003		$0	$4,510,689

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

The School District delivers education programs under the authority of the School Act, Chapter S-3, Statues of Alberta, January 1, 2002.

The School District receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the School District, within specified limits, to reallocate funding between the instruction and support blocks.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

2. ACCOUNTING POLICIES, Continued

(b) Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight line basis, at the following annual rates

Buildings	2.5%, 4% and 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

(d) Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(f) Other current assets

Other current assets consist of prepaid supplies. Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid supplies

(g) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School District does not make pension contributions for certificated staff.

2. ACCOUNTING POLICIES, Continued

(h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

(i) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. TRUST ASSETS AND LIABILITIES

This balance represents cash that is held in trust by the jurisdiction for a scholarship trust.

4. ACCOUNTS RECEIVABLE

	2003	2002
Province of Alberta	$ 501,159	$ 536,540
Federal Government	170,195	46,017
Alberta Municipalities	209,998	193,682
Other receivables	103,621	24,605
	$ 984,973	$ 800,644

5. ACCOUNTS PAYABLE

	2003	2002
Province of Alberta	$ 395,244	$ 427,476
Federal Government	40,018	40,492
Other trade payables and accrued liabilities	936,443	357,065
	$ 1,371,705	$ 825,033

LAKELAND ROMAN CATHOLIC SEPARATE SCHOOL DISTRICT NO. 150

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

6. DEFERRED REVENUE

	2003	2002
1999 One Time Grant	$ 219,066	$ 219,066
BQRP 2001	56,514	47,096
BQRP 2003	169,530	169,530
One Time Operations and Maintenance support	54,769	-
Modernization Grant	-	11,818
Other Grants	141,496	88,731
	$ 641,375	$ 536,243

7. LONG TERM DEBT

The debenture debt bears interest at rates varying between 9% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest
2004	$ 368,311	$ 319,344
2005	368,311	280,531
2006	352,031	241,717
2007	331,581	204,746
2008	319,812	170,093
Thereafter	294,612	367,064
	$ 034,658	$ 1,583,495

8. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represents the School District's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the unamortized capital allocations account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the unamortized capital allocations account.

9. LEASE COMMITMENT

The School District is committed to the following minimum annual lease payments for photocopy equipment and premises pursuant to leases expiring December 2003, August 2006 and August 2007 as follows:

2004	$ 71,247
2005	68,847
2006	68,847
2007	10,310
	$ 219,251

10. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School District's primary source of income is from the Alberta Government. The School District's ability to continue viable operations is dependent on this funding.

11. BUDGET AMOUNTS

The budget was prepared by the School District's management and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified, where necessary to conform with the current year's financial statement presentation.

13. FINANCIAL INSTRUMENTS

The School District's financial instruments consist of cash, temporary investments, accounts receivable, school generated funds, trust assets and liabilities, accounts payable and accrued liabilities and long term debt. It is management's opinion that the School District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 4105

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$11,042,903	$560,067	$10,482,836						
(2) Support block	$732,886				$0			$732,886	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$266,012	$70,500	$195,512						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$468,000	$20,344	$440,845					$6,811	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$36,455	$0	$36,455	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$12,546,256	$650,911	$11,155,648	$0	$0			$739,697	$0
Alberta Infrastructure									
(12) Expensed Block Mod. Block BQRP support	$118,242	$0	$0	$118,242					
(13) Operations & Maintenance support	$1,443,837			$1,443,837					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,562,079	$0	$0	$1,562,079					
(16) **Alberta Finance**	$335,621			$335,621	$0			$0	$0
(17) **Other - Government of Alberta**	$24,650	$0	$0	$23,171	$0			$1,479	$0
(18) **Federal Government and/or First Nations**	$555,360	$15,031	$507,821	$0	$0			$32,508	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$2,000	$0	$2,000	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	($1,138)	$0	($1,138)	$0	$0			$0	$0
(22) **Instruction resource fees**	$52,541	$0	$52,541						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$13,129	$0	$12,341	$0	$0			$788	$0
(25) **Investment income**	$138,006	$0	$129,726	$0	$0			$8,280	$0
(26) **Gifts and donations**	$41,227	$0	$41,227	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$435,369		$435,369					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$645,430		$53,694	$591,736	$0				$0
(31) **TOTAL REVENUES**	$16,350,530	$665,942	$12,389,229	$2,512,607	$0			$782,752	$0
EXPENSES									
(32) **Certificated salaries**	$7,945,068	$385,736	$7,438,763				$120,569	$120,569	$0
(33) **Certificated benefits**	$1,042,222	$66,084	$967,184				$8,954	$8,954	$0
(34) **Uncertificated salaries and wages**	$2,600,417	$128,134	$1,624,227	$570,508	$0	$43,905	$233,643	$277,548	$0
(35) **Uncertificated benefits**	$622,490	$29,424	$412,040	$131,894	$0	$0	$49,132	$49,132	$0
(36) **SUB - TOTAL**	$12,210,197	$609,378	$10,442,214	$702,402	$0	$43,905	$412,298	$456,203	$0
(37) **Services, contracts & supplies**	$2,900,577	$39,873	$1,782,197	$800,073	$0	$32,708	$245,726	$278,434	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$435,369		$435,369						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$645,430	$0	$53,694	$591,736	$0		$0	$0	$0
(41) Unsupported	$154,183	$0	$41,466	$82,775	$0	$0	$29,942	$29,942	$0
(42) Total Amortization	$799,613	$0	$95,160	$674,511	$0	$0	$29,942	$29,942	$0
Interest on capital debt									
(43) Supported	$335,621	$0	$0	$335,621	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$16,681,377	$649,251	$12,754,940	$2,512,607	$0	$76,614	$687,965	$764,579	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($330,847)	$16,691	($365,711)	$0	$0			$18,173	$0
Applicable student numbers/FTE equivalent	2,141.0	180	2,051.0	2,141.0	0			2,141.0	
AVERAGE PROGRAM COSTS per student	$7,791	$3,607	$6,219	$1,174	$0			$357	

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$6,039,580	$645,279	$335,291	$115,138	$172,031	$131,444	$0	$7,438,763
Certificated benefits	$802,696	$73,653	$37,751	$15,269	$21,738	$16,077	$0	$967,184
Uncertificated salaries and wages	$33,777	$613,820	$205,438	$125,856	$645,336	$0	$0	$1,624,227
Uncertificated benefits	$7,335	$144,791	$38,242	$41,130	$180,542	$0	$0	$412,040
SUB - TOTAL REMUNERATION	$6,883,388	$1,477,543	$616,722	$297,393	$1,019,647	$147,521	$0	$10,442,214
Services, contracts & supplies	$1,411,316	$36,066	$184,763	$16,877	$66,850	$66,325	$0	$1,782,197
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$435,369							$435,369
Amortization of capital assets								
Supported	$53,694	$0	$0					$53,694
Unsupported	$41,466	$0	$0					$41,466
Total Amortization	$95,160	$0	$0					$95,160
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$8,825,233	$1,513,609	$801,485	$314,270	$1,086,497	$213,846	$0	$12,754,940
FTE Certificated				2.3	2.6			
FTE Uncertificated				9.4	38.8			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$8,627,837	$636,357	$1,181,040	$0	$10,445,234	$8,630,242	$1,814,992
School Admin & Instruction Support Expenses						$1,513,609	($1,513,609)
System Instruction Support Expenses						$801,485	($801,485)
Total Basic Instruction	$8,627,837	$636,357	$1,181,040	$0	$10,445,234	$10,945,336	($500,102)
Sub-Programs & Initiatives							
Severely Disabled	$791,911		$0		$791,911	$1,086,497	($294,586)
English as a Second Language	$4,527				$4,527	$437	$4,090
Enhanced Opportunities	$27,000				$27,000	$18,289	$8,711
First Nations, Metis, and Inuit Education	$82,352		$0		$82,352	$93,561	($11,209)
Institutional Programs	$29,080				$29,080	$37,285	($8,205)
Sparsity & Distance	$619,925				$619,925		$619,925
Growth & Density	$12,126				$12,126		$12,126
Teacher Assistants Program	$44,065				$44,065	$52,859	($8,794)
Early Literacy Initiative (K-2)	$78,610				$78,610	$123,174	($44,564)
Learning Resources Credit & Resources for the Classroom	$21,095	$36,455	$52,541		$110,091	$197,743	($87,652)
Technology Integration	$84,753		$0		$84,753	$85,617	($864)
French Language Program & Francisation (all jurisdictions)	$59,555		$0		$59,555	$114,142	($54,587)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$1,854,999		$52,541		$1,943,995	$1,809,604	$134,391
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$10,482,836	$672,812	$1,233,581	$0	$12,389,229	$12,754,940	($365,711)

School Jurisdiction Code: 4105

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$560,067	$10,482,836		$0	$732,886	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$11,042,903*** = ***$220,858*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule

School Jurisdiction Code: 4105

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$10,958,150
Support Block - Transportation	$0
SUBTOTAL	$10,958,150
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,443,837
Teacher Salary Enhancement	$468,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$24,650
Federal government/First Nations	$555,360
Other Alberta school authorities	$0
Out of province local authorities	$2,000
Alberta municipalities	-$1,138
Other sales and services	$13,129
Interest on investments	$138,006
Rentals of facilities	$0
Gains on disposal of capital assets	$0
Amortization of capital allocations	$645,430
School generated funds (Schedule E)	$544,011
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	$14,791,435

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	6.00%
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$887,486
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		$887,486

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$764,579
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$764,579
Maximum Expense Limit for Board & System Administration (Step 3)	$887,486
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$122,907

School Jurisdiction Code: 4105

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1)		$159,417
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$544,011	
Less: SGF - related cost recoveries (Note 3)	$170,793	
- capitalized at the District level (Note 4)	$0	
Net Total	$373,218	
Plus: Donations Received (Note 5)	$18,458	
Equals: Net Additions to SGF		$391,676
Net SGF Available for discretionary spending		$551,093
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$435,369
Unexpended SGF - Closing Balance August 31, 2003		$115,724

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes, supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4105

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$443,868	$66,648	$0	$4,918	$55,074	$570,508		$570,508
Uncertificated benefits	$103,320	$16,545	$0	$736	$11,293	$131,894		$131,894
Sub-total Remuneration	$547,188	$83,193	$0	$5,654	$66,367	$702,402		$702,402
Contracted Services	$490	$114,160	$0	$83,057	$2,140	$199,847		$199,847
Supplies	$34,561	$53,252	$0	$29,531	$4,438	$121,782		$121,782
Electricity			$226,293			$226,293		$226,293
Natural Gas/Heating Fuel			$180,788			$180,788		$180,788
Sewer and Water			$15,855			$15,855		$15,855
Telecommunications			$3,822			$3,822		$3,822
Insurance					$51,686	$51,686		$51,686
Amortization of capital assets								
Supported							$591,736	$591,736
Unsupported						$82,775		$82,775
Total Amortization						$82,775	$591,736	$674,511
Interest on capital debt								
Supported							$335,621	$335,621
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$582,239	$250,605	$426,758	$118,242	$124,631	$1,585,250	$927,357	$2,512,607
SQUARE METRES								
School Buildings								23,843.7
Non School Buildings								1,086.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 4105

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	M. Campeau	1.0	$7,852					$7,852	$4,778
Name									
Other Board Members:									
Name	R. Gauthier	1.0	$7,812					$7,812	$5,613
Name	B. Kleinmann	1.0	$5,295					$5,295	$1,252
Name	V. Lefebvre	1.0	$8,556					$8,556	$6,554
Name	M. Penner	1.0	$8,611					$8,611	$7,089
Name	E. Rondeau	1.0	$5,780					$5,780	$4,271
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Name									
Subtotal		*6.0*	*$43,906*					*$43,906*	*$29,557*
Superintendent	B. Provost	1.0	$109,960	$7,806				$117,766	$10,283
Superintendent									
Secretary/Treasurer	D. Ewanowich	1.0	$90,200	$14,379				$104,579	$16,306
Secretary/Treasurer									
Board Secretary									
Board Secretary									
Board Treasurer									
Board Treasurer									
Certificated Salaries		129.6	$7,835,108	$1,034,416				$8,869,524	
Uncertificated Salaries & Wages		111.6	$2,466,311	$608,111				$3,074,422	
TOTALS			**$10,545,485**	**$1,664,712**				**$12,210,197**	

Note: Please refer to completion information on page 15

School Jurisdiction Code: 4105

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3040

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Lethbridge School District No. 51
Name of School Jurisdiction

433 15th Street South, Lethbridge, Alberta T1J 2Z5
Mailing Address

Ph: 403-380-5303 Fax: 403-320-9117
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Lethbridge School District No. 51 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Gary Bartlett	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Mal Clewes	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Don Lussier	"Original Signed By"
Name	**Signature**

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3040

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BDO

BDO Dunwoody LLP
Chartered Accountants
and Consultants

200 Southland Terrace
220-3rd Avenue South
Lethbridge Alberta Canada T1J 0G9
Telephone (403) 328-5292
Fax (403) 328-9534

AUDITORS' REPORT

To the Board of Trustees
Lethbridge School District No. 51

We have audited the statement of financial position of the Lethbridge School District No. 51 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP
Chartered Accountants

Lethbridge, Alberta
October 24, 2003

BDO Dunwoody LLP *is a Limited Liability Partnership registered in Ontario*

School Jurisdiction Code: 3040

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 As Restated
ASSETS			
Current assets			
Cash and temporary investments		$8,770,560	$18,914,335
Accounts receivable (net after allowances)		$5,507,145	$2,406,703
Prepaid expenses		$278,648	$279,094
Other current assets		$102,389	$69,936
Total current assets		$14,658,742	$21,670,068
School generated assets		$789,007	$831,615
Trust assets		$440,054	$433,230
Long term accounts receivable		$27,006	$90,567
Capital assets			
Land		$1,715,118	$1,750,344
Buildings	$59,642,800		
Less: accumulated amortization	($22,846,940)	$36,795,860	$26,069,788
Equipment	$1,500,995		
Less: accumulated amortization	($548,692)	$952,303	$295,080
Vehicles	$150,070		
Less: accumulated amortization	($70,805)	$79,265	$75,801
Total capital assets		$39,542,546	$28,191,013
TOTAL ASSETS		$55,457,355	$51,125,926
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$5,524,131	$4,491,682
Deferred revenue		$1,154,127	$1,966,909
Deferred capital allocations		$4,209,145	$10,545,997
Current portion of all long term debt		$1,230,648	$1,252,645
Total current liabilities		$12,118,051	$18,257,233
School generated liabilities		$789,007	$831,615
Trust liabilities		$440,054	$433,230
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$10,013,045	$11,257,013
Less: Current portion of supported debt		($1,230,648)	($1,252,645)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$26,774,156	$14,450,484
Total long term liabilities		$36,785,614	$25,719,697
TOTAL LIABILITIES		$48,903,665	$43,976,930
NET ASSETS			
Unrestricted net assets		$629,863	$907,581
Operating Reserves		$2,979,136	$3,570,083
Accumulated Operating Surplus (Deficit)		$3,608,999	$4,477,664
Investment in capital assets		$2,755,350	$2,483,516
Capital Reserves		$189,341	$187,816
Total Capital Funds		$2,944,691	$2,671,332
Total net assets		$6,553,690	$7,148,996
TOTAL LIABILITIES AND NET ASSETS		$55,457,355	$51,125,926

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3040

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$46,710,315	$46,225,911	$46,258,929
Alberta Infrastructure	$5,812,512	$5,316,149	$2,890,206
Alberta Finance	$1,165,625	$1,241,000	$1,301,086
Other Government of Alberta	$486,957	$211,191	$574,890
Federal Government and/or First Nations	$417,859	$288,815	$493,302
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$410,195	$354,400	$388,556
Transportation fees	$0	$0	$0
Other sales and services	$507,785	$337,154	$242,353
Investment income	$280,263	$125,000	$216,769
Gifts and donations	$0	$0	$40,700
Rentals of facilities	$20,000	$10,800	$15,500
Net school generated funds	$1,025,857	$416,720	$956,107
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$918,213	$939,978	$954,513
Total Revenues	$57,755,581	$55,467,118	$54,332,911
EXPENSES			
Certificated salaries	$29,156,221	$28,684,538	$26,240,029
Certificated benefits	$3,498,746	$3,437,958	$3,076,764
Uncertificated salaries and wages	$11,303,473	$9,730,798	$10,201,014
Uncertificated benefits	$2,564,342	$2,303,999	$2,237,193
Services, contracts and supplies	$8,827,696	$9,606,925	$7,900,438
Net school generated funds	$1,025,857	$416,720	$956,107
Capital and debt services			
Amortization of capital assets			
Supported	$918,213	$939,978	$954,513
Unsupported	$136,477	$94,984	$97,569
Total Amortization of capital assets	$1,054,690	$1,034,962	$1,052,082
Interest on capital debt			
Supported	$1,165,625	$1,241,000	$1,301,086
Unsupported	$0	$0	$0
Total interest on capital debt	$1,165,625	$1,241,000	$1,301,086
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$6,541	$0	$0
Total Expenses	$58,603,191	$56,456,900	$52,964,713
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($847,610)	($989,782)	$1,368,198
Block BQRP revenue used for capital purposes		$0	$0
Block MOD revenue used for capital purposes	$252,304	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$9,866
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($595,306)	($989,782)	$1,378,064

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3040

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002 As Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($595,306)	$1,378,064
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($918,213)	($954,513)
Total amortization expense	$1,054,690	$1,052,082
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$6,541	$0
Changes in accrued accounts:		
Accounts receivable	($3,127,448)	($429,716)
Prepaids and other current assets	($32,007)	$91,317
Payables and accrued liabilities	$1,032,449	$2,032,101
Deferred revenue	($812,782)	($80,209)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	
Total sources (uses) of cash from Operations	($3,392,076)	$3,089,126
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($12,237,626)	($4,681,220)
Equipment	($757,621)	($166,849)
Vehicles	($22,796)	($20,969)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($13,018,043)	($4,869,038)
C. FINANCING ACTIVITIES		
Capital allocations received	$6,266,344	$10,325,552
Issue of long term debt	$0	$0
Repayment of long term debt	($1,243,968)	($1,318,216)
Add back: supported portion	$1,243,968	$1,318,216
Other (describe)	$0	
Total sources (uses) from Financing activities	$6,266,344	$10,325,552
Net sources (uses) of cash equivalents* during year	($10,143,775)	$8,545,640
Cash Equivalents at the beginning of the year	$18,914,335	$10,368,695
Cash Equivalents at the end of the year	$8,770,560	$18,914,335

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3040

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,148,996	$2,483,516	$907,581	$3,757,899	$2,583,797	$155,729	$328,001	$0	$32,087	$447,975	$0	$210,310	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,148,996	$2,483,516	$907,581	$3,757,899	$2,583,797	$155,729	$328,001	$0	$32,087	$447,975	$0	$210,310	$0	$0	$0
Surplus(def) of revenue over expenses	($595,306)		($595,306)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$252,304	($252,304)												
Board funded capital transactions		$162,548	($62,548)	($100,000)	$0	($100,000)	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,054,690)	$1,054,690												
Amortization of capital allocations		$918,213	($918,213)												
Disposal of unsupported capital assets	$0	($6,541)	$6,541	$0		$0			$0				$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0						$0		$0		$0	
Net transfers from operating reserves			$590,947	($590,947)	($176,129)		($48,998)			($200,546)		($165,274)		$0	
Net transfers to capital reserves			($101,525)	$101,525		$26,610			$11,069		$63,846		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,553,690	$2,755,350	$629,863	$3,168,477	$2,407,668	$82,339	$279,003	$0	$43,156	$247,429	$63,846	$45,036	$0	$0	$0

School Jurisdiction Code: 3040

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2003

(in dollars)

	Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002	$10,545,997	$14,450,484
Prior period adjustment	$0	
Adjusted balance, August 31, 2002	$10,545,997	$14,450,484
Add:		
Capital allocations from: AB Infrastructure - New/Modernization Projects	$3,369,037	
Other Government of Alberta	$0	
Federal Government and/or First Nations	$0	
Other sources		
Interest earned on provincial government capital allocations	$224,657	
Other capital grants and donations	$47,650	
Proceeds on disposal of supported capital assets	$2,625,000	
Insurance proceeds	$0	
Donated capital assets (depreciable, at Fair Market Value)		$0
Transferred in capital assets (depreciable, at Net Book Value)		$0
Current Year Debenture Principal Repayment		$1,243,968
Expended capital allocations - current year	($12,603,196)	$12,603,196
Less:		
Unamortized Capital Allocation affected by a disposal through transfer out		$605,279
Capital allocations amortized to revenue		$918,213
Balance at August 31, 2003	$4,209,145	$26,774,156

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

LETHBRIDGE SCHOOL DISTRICT NO. 51

NOTES TO FINANCIAL STATEMENTS
August 31, 2003

1. AUTHORITY AND PURPOSE

The School District delivers education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The School District receives block allocations for instruction and support under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School District within specified limits, to reallocate funding between the instruction and support blocks.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b) Inventory

Inventory is recorded as the lesser of cost and net realizable value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Capital Assets

Capital assets are recorded at cost. Only assets with an original cost of $5,000 or over are capitalized. No amortization is taken in the year of acquisition. Amortization of the cost is calculated over estimated useful lives on a straight line basis at the following rates:

Buildings	40 years
Equipment	3 - 5 years
Vehicles	5 - 10 years

d) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

e) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

f) Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

g) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, Lethbridge School District No. 51 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $342,238 for the Year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported a deficit of $ 445 million (surplus of $635 million - 2001).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the School Act and Section 5 of the Trustees Act.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVALBE

	2003	2002
Current		
Province of Alberta	4511565	1337112
Federal Government	520880	520957
Other	474699	548634
Total Current	5507144	2406703
Long Term	27006	90567

4 BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing resolution and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

5 ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$ 589,254	$ 662,105
Federal Government	712,882	740,234
Other	4,221,995	3,089,344
Total	$ 5,524,131	$ 4,491,683

6 DEFERRED REVENUE

	2003	2002
One time grant funding - 1999	**0**	43,820
Modernization and BQRP funding	**822,742**	1,670,778
Alberta Infrastructure One Time Grant	**186,729**	0
Alberta Learning One Time Grant	**0**	97,697
Other	**144,656**	154,614
	$ 1,154,127	$ 1,966,909

7 LONG TERM DEBT

Debentures	2003	2002
Alberta Capital Finance Authority debenture debt, at interest rates from 8% to 12%, with various due dates. Security is represented by School Buildings held by the District	**$ 10,013,045**	$ 11,257,013
Due within one year	**(1,230,648)**	(1,252,645)
	$ 8,782,397	$ 10,004,368

Principal payments required within each of the next five fiscal years are as follows:

2004	1,230,648
2005	1,164,085
2006	1,072,645
2007	982,958
2008	910,630
Thereafter	3,421,431
	$ 8,782,397

8 DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the School District have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 2001. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10 INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenses. The amounts are established and expended in accordance with terms and conditions established by the Board.

	Balance at Beginning of Year	Appropriated During the Year	Balance at End of Year
Operating			
School	$ 2,583,797	$ (176,129)	$ 2,407,668
Plant Operations and Maintenance	328,001	(48,998)	279,003
System administration	447,975	(200,546)	247,429
Transportation	210,310	(165,274)	45,036
	$ 3,594,383	$ (590,947)	$ 2,979,136
Capital			
School Based	$ 155,729	$ (73,390)	$ 82,339
Plant Operations and Maintenance	32,087	11,069	43,156
System Administration	0	63,846	63,846
	$ 187,816	$ 1,525	$ 189,341

11 COMMITMENTS

(a) The School District has entered into an agreement in 2000 with Telus Advanced Communications for up to $1,034,112 over a four year period. This agreement is to facilitate a school technology program initiated by the District.

12 CONTINGENCIES

a) The School District is a member of the Urban Schools Insurance Consortium. Under the terms of membership, the District could become liable for its proportionate share of any claim losses in excess of the funds held by exchange. The District's share of the pool at year end is $206,855 (2002 - $160,005).

b) The School District is named in a legal action regarding the injury of a student. The action is is currently being handled by the District's Insurance provider.

13 ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Lethbridge School District 51's primary source of income is from the Alberta Government. The District's ability to continue viable operatins is dependent on this funding.

14 BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 10, 2002. It is presented for information purposes only and has not been audited.

15 COMPARATIVE FIGURES

The budget 2003 and actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

School Jurisdiction Code: 3040

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$40,337,456	$2,136,832	$38,200,624						
(2) Support block	$3,186,267				$1,327,600			$1,858,667	
(3) Instruction & support block reallocations	$0	($351,572)	$374,261		$0			($22,689)	$0
(4) Alberta Initiative for School Improvement (AISI)	$989,315	$0	$989,315						
(5) Student Health Initiative (SHI)	$269,527	$0	$269,527						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,749,000	$26,640	$1,707,360					$15,000	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$178,750		$178,750	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$46,710,315	$1,811,900	$41,719,837	$0	$1,327,600			$1,850,978	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$656,699	$0	$0	$656,699					
(13) Operations & Maintenance support	$4,932,463			$4,932,463					
(14) Operations & Maintenance support (One-Time)	$223,350			$223,350					
(15) **Total Alberta Infrastructure Revenue**	$5,812,512	$0	$0	$5,812,512					
(16) **Alberta Finance**	$1,165,625			$1,165,625	$0			$0	$0
(17) **Other - Government of Alberta**	$486,957	$0	$486,957	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$417,859	$0	$407,546	$0	$0			$10,313	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$410,195	$0	$410,195						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$507,785	$0	$505,545	$0	$0			$2,240	$0
(25) **Investment income**	$280,263	$0	$239,009	$30,044	$0			$11,210	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$20,000		$4,750	$14,640	$0			$610	$0
(28) **Net school generated funds**	$1,025,857		$1,025,857					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$918,213		$0	$918,213	$0				$0
(31) **TOTAL REVENUES**	$57,755,581	$1,811,900	$44,799,696	$7,941,034	$1,327,600			$1,875,351	$0
EXPENSES									
(32) **Certificated salaries**	$29,156,221	$711,987	$28,053,989				$390,245	$390,245	$0
(33) **Certificated benefits**	$3,498,746	$96,936	$3,354,981				$46,829	$46,829	$0
(34) **Uncertificated salaries and wages**	$11,303,473	$613,974	$7,382,495	$2,402,748	$120,792	$72,896	$710,568	$783,464	$0
(35) **Uncertificated benefits**	$2,564,342	$204,019	$1,629,843	$549,321	$22,940	$2,950	$155,269	$158,219	$0
(36) **SUB - TOTAL**	$46,522,782	$1,626,916	$40,421,308	$2,952,069	$143,732	$75,846	$1,302,911	$1,378,757	$0
(37) **Services, contracts & supplies**	$8,827,696	$180,152	$4,006,350	$3,092,112	$1,069,142	$66,599	$413,341	$479,940	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$51,890	($100,000)	$100,000	$0	($51,890)	($51,890)	
(39) **Net school generated funds**	$1,025,857		$1,025,857						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$918,213	$0	$0	$918,213	$0		$0	$0	$0
(41) Unsupported	$136,477	$0	$104,887	$21,213	$0	$0	$10,377	$10,377	$0
(42) Total Amortization	$1,054,690	$0	$104,887	$939,426	$0	$0	$10,377	$10,377	$0
Interest on capital debt									
(43) Supported	$1,165,625	$0	$0	$1,165,625	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$6,541	$0	$0	$0	$0	$0	$6,541	$6,541	$0
(47) **TOTAL EXPENSES**	$58,603,191	$1,807,068	$45,610,292	$8,049,232	$1,312,874	$142,445	$1,681,280	$1,823,725	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($847,610)	$4,832	($810,596)	($108,198)	$14,726			$51,626	$0
Applicable student numbers/FTE equivalent	7,957.0	590	7,662.0	7,958.0	2,714			7,957.0	
AVERAGE PROGRAM COSTS per student	$7,365	$3,063	$5,953	$1,012	$484			$229	

School Jurisdiction Code: 3040

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$24,009,698	$1,197,145	$801,706	$1,317,527	$0	$594,907	$133,006	$28,053,989
Certificated benefits	$2,640,535	$143,657	$294,463	$177,955	$0	$81,080	$17,291	$3,354,981
Uncertificated salaries and wages	$1,752,830	$1,765,156	$99,826	$396,880	$3,072,846	$203,943	$91,014	$7,382,495
Uncertificated benefits	$390,096	$286,108	$16,021	$125,331	$762,729	$26,510	$23,048	$1,629,843
SUB - TOTAL REMUNERATION	$28,793,159	$3,392,066	$1,212,016	$2,017,693	$3,835,575	$906,440	$264,359	$40,421,308
Services, contracts & supplies	$3,349,042	$232,523	$284,985	$18,396	$38,529	$82,875	$0	$4,006,350
Cost recoveries & transfers	$46,722		$0	$0			$5,168	$51,890
Net school generated funds	$1,025,857							$1,025,857
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$104,887	$0	$0					$104,887
Total Amortization	$104,887	$0	$0					$104,887
Interest on capital debt								
Supported	$0	$0						$0
Unsupported		$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$33,319,667	$3,624,589	$1,497,001	$2,036,089	$3,874,104	$989,315	$269,527	$45,610,292
FTE Certificated				21.3	0.0			
FTE Uncertificated				17.4	127.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$33,171,024	$3,010,022	$2,669,664	$374,261	$39,224,971	$33,032,308	$6,192,663
School Admin & Instruction Support Expenses						$3,624,589	($3,624,589)
System Instruction Support Expenses						$1,497,001	($1,497,001)
Total Basic Instruction	$33,171,024	$3,010,022	$2,669,664	$374,261	$39,224,971	$38,153,898	$1,071,073
Sub-Programs & Initiatives							
Severely Disabled	$2,926,398		$0		$2,926,398	$3,874,104	($947,706)
English as a Second Language	$96,705				$96,705	$88,568	$8,137
Enhanced Opportunities	$91,000				$91,000	$91,000	$0
First Nations, Metis, and Inuit Education	$157,130		$0		$157,130	$187,621	($30,491)
Institutional Programs	$671,827				$671,827	$772,860	($101,033)
Sparsity & Distance	$0				$0		$0
Growth & Density	$139,320				$139,320		$139,320
Teacher Assistants Program	$147,281				$147,281	$147,281	$0
Early Literacy Initiative (K-2)	$284,321				$284,321	$390,300	($105,979)
Learning Resources Credit & Resources for the Classroom	$78,135	$134,930	$410,195		$623,260	$622,165	$1,095
Technology Integration	$326,198		$0		$326,198	$1,172,951	($846,753)
French Language Program & Francisation (all jurisdictions)	$57,760		$0		$57,760	$57,760	$0
Home Education	$53,525		$0		$53,525	$51,784	$1,741
Total Sub-Programs & Initiatives	$5,029,600		$410,195		$5,574,725	$7,456,394	($1,881,669)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$38,200,624	$3,144,952	$3,079,859	$374,261	$44,799,696	$45,610,292	($810,596)

School Jurisdiction Code: 3040

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,136,832	$38,200,624		$1,327,600	$1,858,667	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$40,337,456* = *$806,749* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$22,689			($22,689)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$22,689	($22,689)				
(2) ECS to: Instruction	($374,261)	$374,261				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($351,572)	$374,261		$0	($22,689)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3040

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$40,011,258
Support Block - Transportation	$1,327,600
SUBTOTAL	$41,338,858
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,932,463
Teacher Salary Enhancement	$1,749,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$486,957
Federal government/First Nations	$417,859
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$507,785
Interest on investments	$280,263
Rentals of facilities	$20,000
Gains on disposal of capital assets	$0
Amortization of capital allocations	$918,213
School generated funds (Schedule E)	$1,572,310
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$52,223,708**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,088,948
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,088,948**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,823,725
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$200,546
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,623,179
Maximum Expense Limit for Board & System Administration (Step 3)	$2,088,948
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$465,769

School Jurisdiction Code: 3040

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$831,615
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1 572,310	
Less: SGF - related cost recoveries (Note 3)	$622,140	
- capitalized at the District level (Note 4)	$22,796	
Net Total	$927,374	
Plus: Donations Received (Note 5)	$55,875	
Equals: Net Additions to SGF		$983,249
Net SGF Available for discretionary spending		$1,814,864
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,025,857
Unexpended SGF - Closing Balance August 31, 2003		$789,007

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3040

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,947,160	$300,984	$0	$0	$154,604	$2,402,748		$2,402,748
Uncertificated benefits	$428,375	$80,417	$0	$0	$40,529	$549,321		$549,321
Sub-total Remuneration	$2,375,535	$381,401	$0	$0	$195,133	$2,952,069		$2,952,069
Contracted Services	$0	$446,541	$0	$656,699	$18,930	$1,122,170		$1,122,170
Supplies	$126,436	$267,725	$0	$0	$1,499	$395,660		$395,660
Electricity			$887,176			$887,176		$887,176
Natural Gas/Heating Fuel			$499,879			$499,879		$499,879
Sewer and Water			$136,871			$136,871		$136,871
Telecommunications			$50,356			$50,356		$50,356
Insurance					$0	$0		$0
Amortization of capital assets								
Supported							$918,213	$918,213
Unsupported						$21,213		$21,213
Total Amortization						$21,213	$918,213	$939,426
Interest on capital debt								
Supported							$1,165,625	$1,165,625
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($100,000)		($100,000)
TOTAL EXPENSES	$2,501,971	$1,095,667	$1,574,282	$656,699	$215,562	$5,965,394	$2,083,838	$8,049,232
SQUARE METRES								
School Buildings								100,976.6
Non School Buildings								3,247.4

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe.

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.

Utilities & Telecommunications: All expenes related to electricity, natural gas and other heating fuels, sewer and water and all forms of telecommunications.

Expensed Block Mod/BQRP & Portable Relocations: All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3040

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Gary Bartlett	1.0	$11,687	$190	$0	$0	$0	$11,877	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Patricia Aitchison	1.0	$9,759	$251	$0	$0	$0	$10,010	$2,983
Name Maureen Calder	1.0	$10,322	$258	$0	$0	$0	$10,580	$1,623
Name Rodney Fong	1.0	$9,261	$228	$0	$0	$0	$9,489	$5,186
Name Mitch Forster	1.0	$9,725	$420	$0	$0	$0	$10,145	$1,304
Name Dianne King	1.0	$12,504	$359	$0	$0	$0	$12,863	$5,122
Name Ron MacDonald	0.8	$9,136	$224	$0	$0	$0	$9,360	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	6.8	$72,394	$1,930	$0	$0	$0	$74,324	$16,218
Superintendent Mal Clewes	1.0	$136,712	$9,339	$3,000	$0	$0	$149,051	$20,318
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Don Lussier	1.0	$117,075	$16,396	$3,000	$0	$0	$136,471	$4,530
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	436.2	$29,019,509	$3,463,935	$22,472	$0	$0	$32,505,916	
Uncertificated Salaries & Wages	413.8	$11,114,004	$2,498,245	$44,771	$0	$0	$13,657,020	
TOTALS		**$40,459,694**	**$5,989,845**	**$73,243**	**$0**	**$0**	**$46,522,782**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 3040

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 0047

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Living Waters Catholic Regional Division No. 42
Name of School Jurisdiction

4204 Kepler Street, Box 1949 Whitecourt, AB T7S 1P6
Mailing Address

Phone (780) 778-5666 FAX (780) 778-2727
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Living Waters Catholic Regional Division No. 42 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Camile Joly — Name
"Original Signed By" — Signature

SUPERINTENDENT

Carol Lemay — Name
"Original Signed By" — Signature

SECRETARY TREASURER OR TREASURER

Nieta World — Name
"Original Signed By" — Signature

24-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 0047

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Ferguson Horne

CHARTERED ACCOUNTANTS

* KENNETH R. FERGUSON, B.COMM., C.A.
* GEORGE A. HORNE, B.COMM., C.A.

4920 - 51 Ave.,
Box 569,
Whitecourt, Alberta
T7S 1N6
Telephone: (780) 778-3981
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AUDITORS' REPORT

To the Board of Trustees of
Living Waters Catholic Regional Division No. 42

We have audited the statement of financial position of the Living Waters Catholic Regional Division No. 42 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and deferred capital allocation for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and deferred capital allocations for the year then ended in accordance with Canadian generally accepted standards.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Whitecourt, Alberta
October 31, 2003

Ferguson Horne
CHARTERED ACCOUNTANTS

* Denotes Professional Corporation

School Jurisdiction Code: 0047

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$5,779,587	$8,934,184
Accounts receivable (net after allowances)		$702,281	$617,991
Prepaid expenses		$83,108	$67,594
Other current assets		$144	$144
Total current assets		$6,565,119	$9,619,912
School generated assets		$284,036	$272,052
Trust assets		$36,881	$216,070
Long term accounts receivable		$0	$0
Capital assets			
Land		$809,218	$809,218
Buildings	$32,070,757		
Less: accumulated amortization	($15,378,268)	$16,692,489	$11,792,551
Equipment	$3,221,705		
Less: accumulated amortization	($3,087,526)	$134,180	$129,092
Vehicles	$12,305		
Less: accumulated amortization	$0	$12,305	$0
Total capital assets		$17,648,192	$12,730,862
TOTAL ASSETS		$24,534,229	$22,838,896
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,248,173	$1,059,962
Deferred revenue		$773,673	$586,618
Deferred capital allocations		$2,430,102	$5,764,974
Current portion of all long term debt		$561,443	$567,844
Total current liabilities		$5,013,391	$7,979,399
School generated liabilities		$284,036	$272,052
Trust liabilities		$36,881	$216,070
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$5,436,606	$5,428,315
	Less: Current portion of supported debt	($561,443)	($567,844)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$10,200,235	$5,308,587
Total long term liabilities		$15,396,315	$10,657,180
TOTAL LIABILITIES		$20,409,706	$18,636,579
NET ASSETS			
Unrestricted net assets		$311,676	$285,892
Operating Reserves		$1,670,906	$1,746,972
Accumulated Operating Surplus (Deficit)		$1,982,582	$2,032,864
Investment in capital assets		$2,011,351	$1,993,959
Capital Reserves		$130,590	$175,494
Total Capital Funds		$2,141,941	$2,169,453
Total net assets		$4,124,523	$4,202,317
TOTAL LIABILITIES AND NET ASSETS		$24,534,229	$22,838,896

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 0047

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$13,484,077	$13,667,622	$13,543,427
Alberta Infrastructure	$1,457,888	$1,528,542	$1,263,139
Alberta Finance	$536,699	$542,896	$600,786
Other Government of Alberta	$3,618	$0	$4,904
Federal Government and/or First Nations	$17,125	$0	$0
Other Alberta school authorities	$3,057	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$3,616	$0	$0
Instruction resource fees	$15,404	$22,000	$0
Transportation fees	$10,285	$8,000	$8,512
Other sales and services	$1,810	$0	$56,007
Investment income	$103,530	$50,000	$83,608
Gifts and donations	$12,305	$0	$2,000
Rentals of facilities	$31,183	$0	$0
Net school generated funds	$349,695	$135,000	$399,429
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,748,855	$651,717	$649,178
Total Revenues	$17,779,146	$16,605,777	$16,610,989
EXPENSES			
Certificated salaries	$8,025,625	$8,068,080	$7,462,795
Certificated benefits	$1,008,840	$968,170	$897,320
Uncertificated salaries and wages	$2,545,276	$2,300,688	$2,382,565
Uncertificated benefits	$532,727	$575,172	$461,940
Services, contracts and supplies	$3,063,210	$3,324,237	$3,954,097
Net school generated funds	$349,695	$135,000	$399,429
Capital and debt services			
Amortization of capital assets			
Supported	$633,034	$651,717	$649,176
Unsupported	$39,817	$39,817	$47,525
Total Amortization of capital assets	$672,851	$691,534	$696,701
Interest on capital debt			
Supported	$542,896	$542,896	$600,786
Unsupported	$0	$0	$0
Total interest on capital debt	$542,896	$542,896	$600,786
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$1,115,821	$0	$0
Total Expenses	$17,856,940	$16,605,777	$16,855,633
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($77,794)	$0	($244,644)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($77,794)	$0	($244,644)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 0047

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($77,794)	($244,644)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,748,855)	($649,176)
Total amortization expense	$672,851	$696,701
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$1,115,821	$0
Changes in accrued accounts:		
Accounts receivable	($84,290)	$23,399
Prepaids and other current assets	($15,514)	($20,379)
Payables and accrued liabilities	$188,210	($215,286)
Deferred revenue	$187,055	($170,650)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$237,484	($580,034)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($3,488,051)	($234,823)
Equipment	($44,904)	($17,989)
Vehicles	($12,305)	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($3,545,260)	($252,812)
C. FINANCING ACTIVITIES		
Capital allocations received	$153,180	$1,289,786
Issue of long term debt	$0	$0
Repayment of long term debt	($567,640)	($566,388)
Add back: supported portion	$567,640	$566,388
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$153,180	$1,289,786
Net sources (uses) of cash equivalents* during year	($3,154,597)	$456,940
Cash Equivalents at the beginning of the year	$8,934,184	$8,477,244
Cash Equivalents at the end of the year	$5,779,587	$8,934,184

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 0047

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
					RESTRICTED NET ASSETS										
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$4,202,317	$1,993,959	$285,892	$1,922,466	$1,061,019	$0	$551,626	$0	$0	$125,694	$175,494	$8,633	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$4,202,317	$1,993,959	$285,892	$1,922,466	$1,061,019	$0	$551,626	$0	$0	$125,694	$175,494	$8,633	$0	$0	$0
Surplus(def) of revenue over expenses	($77,794)		($77,794)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$57,209	$0	($57,209)	($12,305)	$0	$0		$0	$0	($44,904)	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($672,851)	$672,851												
Amortization of capital allocations		$1,748,855	($1,748,855)												
Disposal of unsupported capital assets	$0	($1,115,821)	$1,115,821	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($60,300)	$60,300	$0		$0			$45,396		$14,904		$0	
Net transfers from operating reserves			$124,061	($124,061)	($124,061)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$4,124,523	$2,011,351	$311,676	$1,801,496	$924,653	$0	$551,626	$0	$0	$171,090	$130,590	$23,537	$0	$0	$0

School Jurisdiction Code: 0047

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$5,764,974	$5,308,587
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$5,764,974	$5,308,587
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$153,180	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$2,584,812
Current Year Debenture Principal Repayment			$567,640
Expended capital allocations - current year		($3,488,051)	$3,488,051
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,748,855
Balance at August 31, 2003		$2,430,102	$10,200,235

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.
Please change the line "Transferred in capital assets to Transferred in capital assets (net of debt assumed)

AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S-3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital Assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Building (masonry construction)	25 years
Building (frame construction)	40 years
Vehicles	5 years
Equipment	5 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Living Waters Catholic Regional Division No. 42 does not make pension contributions for certificated staff.

e) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

f) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the Trustees Act.

h) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

i) Employee Future Benefits
The jurisdiction accounted for the future cost of employee benefits commencing in the 2000-2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

2. ACCOUNTS RECEIVABLES

	2003	2002
Province of Alberta	$210,299	$66,943
Federal Government	84,915	112,325
Alberta Municipalities	269,793	255,602
Other Alberta school jurisdictions	0	0
Other	137,274	183,121
Total	$702,281	$617,991

3. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

Operating Reserves	2002	Appropriated	Used	2003
School	1,061,019.00	85,760.00	222,126.00	924,653.00
Operations & Maintainance	551,826.00	-	-	551,626.00
Board & System Admin.	125,694.00	45,396.00	-	171,090.00
Transportation	8,633.00	14,904.00	-	23,537.00
External Services	-	-	-	-
Total	1,746,972.00	146,060.00	222,126.00	1,670,906.00

Capital Reserves	2002	Appropriated	Used	2003
Land-Supported	-	-	-	-
Land-Unsupported	-	-	-	-
Building-Supported	-	-	-	-
Building-Unsupported	-	-	-	-
Equipment	175,494.00	44,904	-	130,590
Vehicles	-	-	-	-
Total	175,494.00	$44,904	-	$130,590

4. CAPITAL ASSETS

Asset	Cost	Accumulated Amortization	Net Book Value	
			2003	2002
Land	$ 809,218	$ -	$ 809,218	$ 809,218
Buildings	32,070,757	15,378,268	16,692,489	11,792,551
Vehicles	12,305	-	12,305	-
Equipment	3,221,705	3,087,526	134,180	129,092
Total	$ 36,113,985	$ 18,465,794	$ 17,648,192	$ 12,730,861

5. ACCOUNTS PAYABLE AND LIABILITIES

	2003	2002
Province of Alberta	$ 318,124	$ -
Federal Government	-	-
Alberta Municipalities	238,147	-
Other Alberta School Jurisdictions	989	-
Other Trade Payables and Accrued Liabilities	690,913	1,059,962
Total	$ 1,248,173	$ 1,059,962

6. DEFERRED REVENUE

	2003	2002
Technology Integration Funding	$ 87,731	$ 35,546
Block Modernization	22,845	22,845
BORP	151,157	465,348
One Time Grant	0	27,052
Plant Operations & Maintenance	485,074	0
Other	26,866	35,827
Total	$ 773,673	$ 586,618

7. ALLOCATIONS FROM PROVINCE OF ALBERTA (Related Third Party Transactions)

	2003 Actual	2003 Budget	2002 Actual
Alberta Learning	$ 13,484,077	$ 13,667,622	$ 13,543,427
Alberta Infrastructure	1,457,888	1,528,542	1,263,139
Alberta Finance	536,699	542,896	600,786
Other Government of Alberta	3,618	-	4,904
Total	$ 15,482,282	$ 15,739,060	$ 15,412,256

8. OTHER INCOME

	2003 Actual	2003 Budget	2002 Actual
Transportation Fees	$ 10,285	$ 8,000	$ 8,512
Other Sales & Services	1,810	-	56,007
Investment Income	103,530	50,000	83,608
Gifts & Donations	12,305	-	2,000
Total	$ 127,930	$ 58,000	$ 150,127

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2003	2002
Deferred Salary Leave Plan	$ 29,423	$ 208,818
Scholarship Trusts	7,458	7,252
Total	$ 36,881	$ 216,070

10. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2003-2004	641,784	692,548	1,334,332
2004-2005	610,381	490,052	1,100,433
2005-2006	606,517	424,503	1,031,020
2006-2007	606,517	359,436	965,953
2007 to maturity	2,940,590	1,391,115	4,331,705
Total	$ 5,405,789	$ 3,357,654	$ 8,763,443

b) Capital Loan Debt - Supported

	Aug. 31, 2003	Aug. 31, 2002
Alberta Treasury Branches Bi-monthly payments Of $790 including interest at prime. Secured by Borrowing resolution Supported by Alberta Finance With interest rate being calculated at 4.50%, to mature March 2005.	30,813	47,920

Due beyond August 31st, 2003

2004	12,829
2005 to maturity	12,062

c) Operating Leases – Unsupported

The following is a schedule of the future minimum lease payments including G.S.T. under an operating lease expiring August, 2007 with .

For the lease period ending August 31st, 2004	21,259
For the lease period ending August 31st, 2005	21,259
For the lease period ending August 31st, 2006	21,259
For the lease period ending August 31st, 2007	21,259
Less: Refundable portion of G.S.T.	(4,047)
	$ 80,989

11. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations account are as follows:

	2003	2002
Balance, Beginning of Year	$ 5,764,974	$ 4,710,012
Allocations received & Receivable During the Year	153,180	1,289,786
Transfers to Unamortized Capital Allocations (note 12)	(3,488,051)	(234,823)
Balance, End of Year	$ 2,430,102	$5,764,974

12. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1,1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes to the account are as follows:

	2003	2002
Balance, Beginning of Year	$ 5,308,587	$ 5,156,552
Transferred in Capital Assets	2,584,812	-
Additions: supported debenture Principal Repayments	567,640	566,388
Transfer from Deferred Capital Allocations (note 11)	3,488,051	234,823
Deductions: capital allocation revenue	(1,748,855)	(649,176)
Balance, End of Year	$10,200,235	$ 5,308,587

13. SCHOOL GENERATED FUNDS

	2003	2002
Balance, Beginning of Year	$ 272,052	$ 312,263
SGF for the Year	584,967	656,498
Less: Cost of generating funds	(289,517)	(357,380)
Donations Received	66,230	60,098
Net SGF Available for the Year	633,732	671,480
Less: Net SGF Expended for the Year	(349,695)	(399,429)
Balance, End of Year	$ 284,036	$ 272,051

14. CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

15. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures for the modernizations of three schools of approximately $9,100,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The Budget 2003 and Actual 2002 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

School Jurisdiction Code: 0047

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$11,392,878	$557,845	$10,835,033						
(2) Support block	$1,114,210				$327,259			$786,951	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$279,880	$0	$279,880						
(5) Student Health Initiative (SHI)	$7,326	$0	$7,326						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$499,000	$0	$486,354					$12,646	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$190,783	$0	$43,705	$147,078	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$13,484,077	$557,845	$11,652,298	$147,078	$327,259			$799,597	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$275,369	$0	$0	$275,369					
(13) Operations & Maintenance support	$1,182,519			$1,182,519					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,457,888	$0	$0	$1,457,888					
(16) **Alberta Finance**	$536,699			$536,699	$0			$0	$0
(17) **Other - Government of Alberta**	$3,618	$0	$0	$3,618	$0			$0	$0
(18) **Federal Government and/or First Nations**	$17,125	$0	$16,556	$569	$0			$0	$0
(19) **Other Alberta school authorities**	$3,057	$0	$3,057	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$3,616	$0	$0	$3,616	$0			$0	$0
(22) **Instruction resource fees**	$15,404	$0	$15,404						
(23) **Transportation fees**	$10,285				$10,285				
(24) **Other sales and services**	$1,810	$0	$1,810	$0	$0			$0	$0
(25) **Investment income**	$103,530	$0	$103,530	$0	$0			$0	$0
(26) **Gifts and donations**	$12,305	$0	$12,305	$0	$0				$0
(27) **Rentals of facilities**	$31,183		$500	$30,683	$0			$0	$0
(28) **Net school generated funds**	$349,695		$349,695					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,748,855		$0	$1,748,855	$0				$0
(31) TOTAL REVENUES	$17,779,146	$557,845	$12,155,154	$3,929,006	$337,544			$799,597	$0
EXPENSES									
(32) **Certificated salaries**	$8,025,625	$196,800	$7,716,710				$112,115	$112,115	$0
(33) **Certificated benefits**	$1,008,840	$25,151	$973,836				$9,853	$9,853	$0
(34) **Uncertificated salaries and wages**	$2,545,276	$162,960	$1,552,544	$563,437	$0	$71,628	$194,706	$266,334	$0
(35) **Uncertificated benefits**	$532,727	$36,243	$345,824	$93,683	$0	$2,089	$54,888	$56,977	$0
(36) **SUB - TOTAL**	$12,112,467	$421,153	$10,588,915	$657,120	$0	$73,717	$371,562	$445,279	$0
(37) **Services, contracts & supplies**	$3,063,210	$91,498	$1,370,410	$977,024	$322,640	$140,599	$161,039	$301,638	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$349,695		$349,695						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$633,034	$0	$0	$633,034	$0		$0	$0	$0
(41) Unsupported	$39,817	$0	$29,424	$3,110	$0	$0	$7,283	$7,283	$0
(42) Total Amortization	$672,851	$0	$29,424	$636,144	$0	$0	$7,283	$7,283	$0
Interest on capital debt									
(43) Supported	$542,896	$0	$0	$542,896	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$1,115,821	$0	$0	$1,115,821	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$17,856,940	$512,651	$12,338,444	$3,929,006	$322,640	$214,316	$539,883	$754,199	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($77,794)	$45,194	($183,289)	$0	$14,904			$45,398	$0
Applicable student numbers/FTE equivalent	2,225.0	176	2,137.0	2,218.0	505			2,225.0	
AVERAGE PROGRAM COSTS per student	$8,026	$2,913	$5,774	$1,771	$639			$339	

School Jurisdiction Code: 0047

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$6,026,438	$601,897	$93,415	$307,905	$510,783	$176,272	$0	$7,716,710
Certificated benefits	$778,123	$64,665	$7,247	$39,073	$66,927	$17,802	$0	$973,836
Uncertificated salaries and wages	$376,939	$350,849	$0	$151,143	$626,510	$47,102	$0	$1,552,544
Uncertificated benefits	$79,187	$78,932	$0	$39,943	$138,414	$9,348	$0	$345,824
SUB - TOTAL REMUNERATION	$7,260,687	$1,096,343	$100,662	$538,064	$1,342,634	$250,525	$0	$10,588,915
Services, contracts & supplies	$981,339	$166,785	$21,768	$76,265	$83,415	$40,838	$0	$1,370,410
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$349,695							$349,695
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$29,424	$0	$0					$29,424
Total Amortization	$29,424	$0	$0					$29,424
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$8,621,145	$1,263,128	$122,430	$614,329	$1,426,049	$291,363	$0	$12,338,444
FTE Certificated				6.5	10.3			
FTE Uncertificated				15.4	32.9			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$9,356,595	$778,059	$487,453	$0	$10,622,107	$8,601,522	$2,020,585
School Admin & Instruction Support Expenses						$1,263,128	($1,263,128)
System Instruction Support Expenses						$122,430	($122,430)
Total Basic Instruction	$9,356,595	$778,059	$487,453	$0	$10,622,107	$9,987,080	$635,027
Sub-Programs & Initiatives							
Severely Disabled	$947,053		$0		$947,053	$1,426,049	($478,997)
English as a Second Language	$27,385				$27,385	$74,895	($47,510)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$83,289		$0		$83,289	$8,685	$74,604
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$182,233				$182,233		$182,233
Growth & Density	$23,448				$23,448		$23,448
Teacher Assistants Program	$51,903				$51,903	$56,283	($4,380)
Early Literacy Initiative (K-2)	$95,311				$95,311	$130,536	($35,225)
Learning Resources Credit & Resources for the Classroom	$20,866	$39,205	$15,404		$75,475	$571,461	($495,986)
Technology Integration	$39,105		$0		$39,105	$83,455	($44,351)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$7,847		$0		$7,847	$0	$7,847
Total Sub-Programs & Initiatives	$1,478,438		$15,404		$1,533,048	$2,351,364	($818,316)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$10,835,033	$817,265	$502,857	$0	$12,155,154	$12,338,444	($183,289)

School Jurisdiction Code: 0047

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$557,845	$10,835,033		$327,259	$786,951	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$11,392,878* = *$227,858* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 0047

SCHEDULE D to the A[illegible]S
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$11,353,774
Support Block - Transportation	$327,259
SUBTOTAL	$11,681,033

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,182,519
Teacher Salary Enhancement	$499,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$3,618
Federal government/First Nations	$17,125
Other Alberta school authorities	$3,057
Out of province local authorities	$0
Alberta municipalities	$3,616
Other sales and services	$1,810
Interest on investments	$103,530
Rentals of facilities	$31,183
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,748,855
School generated funds (Schedule E)	$584,967
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$15,860,312**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**5.89%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$934,331

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$934,331**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$754,199
PLUS: transfers to Restricted - Operating (Board/System Administration)	$45,396
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$799,595
Maximum Expense Limit for Board & System Administration (Step 3)	$934,331
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$134,736

School Jurisdiction Code: 0047

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$272,052
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$584,967	
Less: SGF - related cost recoveries (Note 3)	$289,517	
- capitalized at the District level (Note 4)	$0	
Net Total	$295,450	
Plus: Donations Received (Note 5)	$66,230	
Equals: Net Additions to SGF		$361,680
Net SGF Available for discretionary spending		$633,732
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$349,695
Unexpended SGF - Closing Balance August 31, 2003		$284,036

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 0047

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$294,527	$209,221	$0	$0	$59,690	$563,437		$563,437
Uncertificated benefits	$52,324	$38,927	$0	$0	$2,432	$93,683		$93,683
Sub-total Remuneration	$346,851	$248,147	$0	$0	$62,122	$657,120		$657,120
Contracted Services	$20,326	$67,236	$0	$238,857	$43,308	$369,727		$369,727
Supplies	$63,213	$34,502	$0	$0	$9,070	$106,785		$106,785
Electricity			$276,745			$276,745		$276,745
Natural Gas/Heating Fuel			$146,076			$146,076		$146,076
Sewer and Water			$26,912			$26,912		$26,912
Telecommunications			$5,128			$5,128		$5,128
Insurance					$45,651	$45,651		$45,651
Amortization of capital assets								
Supported							$633,034	$633,034
Unsupported						$3,110		$3,110
Total Amortization						$3,110	$633,034	$636,144
Interest on capital debt								
Supported							$542,896	$542,896
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$1,115,821		$1,115,821
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$430,390	$349,886	$454,862	$238,857	$160,150	$2,753,076	$1,175,930	$3,929,006
SQUARE METRES								
School Buildings								28,464.3
Non School Buildings								297.6

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictly, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

Note: The total square metres into

School Jurisdiction Code: 0047

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Camile Joly	1.0	$14,164	$484	$0	$0	$0	$14,648	$11,192
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Gary Hoogeveen	1.0	$5,939	$125	$0	$0	$0	$6,063	$2,716
Name	Bruce Maunder	1.0	$6,826	$174	$0	$0	$0	$7,000	$6,386
Name	Paul Chauvet	1.0	$9,144	$262	$0	$0	$0	$9,406	$4,134
Name	Gemma Christie	1.0	$8,166	$300	$0	$0	$0	$8,466	$5,942
Name	Kathleen Herndon	1.0	$5,924	$61	$0	$0	$0	$5,985	$3,171
Name	Ron McKay	1.0	$11,708	$420	$0	$0	$0	$12,128	$8,497
Name	Emily Pagnotta	1.0	$9,758	$263	$0	$0	$0	$10,021	$7,469
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*8.0*	*$71,628*	*$2,089*	*$0*	*$0*	*$0*	*$73,717*	*$49,507*
Superintendent	Carol Lemay	1.0	$112,115	$9,853	$0	$0	$0	$121,968	$21,571
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Nieta World	1.0	$87,989	$14,645	$0	$0	$0	$102,634	$11,240
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		137.1	$7,913,510	$999,017	$0	$0	$0	$8,912,527	
Uncertificated Salaries & Wages		100.5	$2,385,659	$515,962	$0	$0	$0	$2,901,621	
TOTALS			**$10,570,901**	**$1,541,566**	**$0**	**$0**	**$0**	**$12,112,467**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 0047

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 1135

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

LIVINGSTONE RANGE SCHOOL DIVISION NO. 68 (Revised Apr 1/04
Name of School Jurisdiction

P.O. Box 69, Claresholm, Alberta T0L 0T0
Mailing Address

(403) 625-3356 (telephone) (403) 625-2424 (fax)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules LIVINGSTONE RANGE SCHOOL DIVISION NO. 68 (Revised Apr 1/04)
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Kelly Hall	"Original Signed By"
Name	Signature

SUPERINTENDENT

Dr. David Rideout	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Don Olsen	"Original Signed By"
Name	Signature

25-Nov-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 1135

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Young Parkyn McNab LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Board of Trustees of the
Livingstone Range School Division No. 68

We have audited the statement of financial position of the Livingstone Range School Division No. 68 as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations and changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

November 3, 2003

Chartered Accountants

LETHBRIDGE • FORT MACLEOD • CLARESHOLM • TABER • MILK RIVER • PINCHER CREEK
[illegible]

School Jurisdiction Code: 1135

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002 Restated
ASSETS			
Current assets			
Cash and temporary investments		$5,470,026	$17,062,691
Accounts receivable (net after allowances)		$4,061,907	$3,986,212
Prepaid expenses		$111,929	$65,371
Other current assets		$143,078	$148,978
Total current assets		$9,786,940	$21,263,252
School generated assets		$752,277	$693,556
Trust assets		$100,774	$97,103
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,158,361	$1,158,361
Buildings	$49,283,950		
Less: accumulated amortization	($20,447,462)	$28,836,488	$21,390,547
Equipment	$778,998		
Less: accumulated amortization	($296,228)	$482,770	$512,186
Vehicles	$4,162,880		
Less: accumulated amortization	($2,361,540)	$1,801,340	$1,687,788
Total capital assets		$32,278,959	$24,748,882
TOTAL ASSETS		$42,918,950	$46,802,793
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,919,201	$4,812,838
Deferred revenue		$2,075,675	$2,687,897
Deferred capital allocations		$2,855,456	$10,780,290
Current portion of all long term debt		$519,113	$573,646
Total current liabilities		$8,369,445	$18,854,671
School generated liabilities		$752,277	$693,556
Trust liabilities		$100,774	$97,103
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,708,610	$4,282,256
	Less: Current portion of supported debt	($519,113)	($573,646)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$23,955,677	$16,310,434
Total long term liabilities		$27,998,225	$20,809,703
TOTAL LIABILITIES		$36,367,670	$39,664,374
NET ASSETS			
Unrestricted net assets		$835,743	$1,855,638
Operating Reserves		$1,089,203	$1,054,454
Accumulated Operating Surplus (Deficit)		$1,924,946	$2,910,092
Investment in capital assets		$4,614,672	$4,156,192
Capital Reserves		$11,662	$72,135
Total Capital Funds		$4,626,334	$4,228,327
Total net assets		$6,551,280	$7,138,419
TOTAL LIABILITIES AND NET ASSETS		$42,918,950	$46,802,793

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1135

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$28,054,183	$26,440,932	$27,512,670
Alberta Infrastructure	$3,298,224	$2,813,670	$1,199,726
Alberta Finance	$435,772	$435,472	$500,032
Other Government of Alberta	$1,287	$5,000	$2,732
Federal Government and/or First Nations	$2,208,735	$1,939,200	$2,088,368
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$211,003	$262,135	$215,358
Transportation fees	$0	$0	$0
Other sales and services	$704,983	$368,052	$819,220
Investment income	$61,908	$67,780	$123,436
Gifts and donations	$25,000	$0	$25,000
Rentals of facilities	$51,312	$43,540	$46,066
Net school generated funds	$879,966	$750,000	$740,123
Gains on disposal of capital assets	$10,766	$0	$5,500
Amortization of capital allocations	$1,581,659	$1,148,045	$1,148,046
Total Revenues	$37,524,798	$34,273,826	$34,426,277
EXPENSES			
Certificated salaries	$18,298,979	$16,848,298	$16,283,353
Certificated benefits	$2,065,670	$1,924,020	$1,905,664
Uncertificated salaries and wages	$6,669,227	$5,997,277	$6,199,898
Uncertificated benefits	$1,175,555	$1,022,717	$1,079,710
Services, contracts and supplies	$6,946,837	$6,518,795	$7,403,343
Net school generated funds	$879,966	$750,000	$740,123
Capital and debt services			
Amortization of capital assets			
Supported	$1,413,200	$1,148,045	$1,148,046
Unsupported	$423,688	$284,714	$393,964
Total Amortization of capital assets	$1,836,888	$1,432,759	$1,542,010
Interest on capital debt			
Supported	$435,772	$435,472	$500,032
Unsupported	$0	$0	$0
Total Interest on capital debt	$435,772	$435,472	$500,032
Other interest charges	$2,765	$2,000	$1,855
Losses on disposal of capital assets	$183,887	$0	$28,791
Total Expenses	$38,495,546	$34,931,338	$35,684,779
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($970,748)	($657,512)	($1,258,502)
Block BQRP revenue used for capital purposes	$383,609	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($587,139)	($657,512)	($1,258,502)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 1135

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($587,139)	($1,258,502)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,581,659)	($1,148,046)
Total amortization expense	$1,836,888	$1,542,010
Gains on disposal of capital assets	($10,766)	($5,500)
Losses on sale of capital assets	$183,887	$28,791
Changes in accrued accounts:		
Accounts receivable	($75,695)	($1,979,729)
Prepaids and other current assets	($40,658)	($8,911)
Payables and accrued liabilities	($1,893,637)	$2,713,252
Deferred revenue	($612,222)	($136,843)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($2,781,001)	($253,478)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($9,036,866)	($7,214,656)
Equipment	($141,995)	($231,612)
Vehicles	($428,607)	($265,963)
Net proceeds from disposal of capital assets	$67,382	$92,747
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($9,540,086)	($7,619,484)
C. FINANCING ACTIVITIES		
Capital allocations received	$728,422	$10,143,049
Issue of long term debt	$0	$0
Repayment of long term debt	($573,646)	($627,273)
Add back: supported portion	$573,646	$627,272
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$728,422	$10,143,048
Net sources (uses) of cash equivalents* during year	($11,592,665)	$2,270,086
Cash Equivalents at the beginning of the year	$17,062,691	$14,792,605
Cash Equivalents at the end of the year	$5,470,026	$17,062,691

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Sltatements.

School Jurisdiction Code: 1135

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
	NET ASSETS	IN CAPITAL	NET	NET ASSETS	School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	(Columns 2+3+4)	ASSETS	ASSETS	(Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,138,419	$4,156,192	$1,855,638	$1,126,589	$597,554	$11,662	$246,900	$0	$0	$210,000	$0	$0	$60,473	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,138,419	$4,156,192	$1,855,638	$1,126,589	$597,554	$11,662	$246,900	$0	$0	$210,000	$0	$0	$60,473	$0	$0
Surplus(def) of revenue over expenses	($587,139)		($587,139)												
Block BQRP funded capital transactions		$383,609	($383,609)												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$570,602	($442,747)	($127,855)	$0	($62,932)	$0		$0	$0	$0	$0	($64,923)	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,836,888)	$1,836,888												
Amortization of capital allocations		$1,581,659	($1,581,659)												
Disposal of unsupported capital assets	$0	($72,043)	$4,661	$67,382		$62,932			$0				$4,450		$0
Disposal of supported capital assets	$0	($168,459)	$168,459			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			($932,146)	$932,146	$208,386		$323,760			$0		$400,000		$0	
Net transfers from operating reserves			$897,397	($897,397)	($650,497)		($246,900)			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$6,551,280	$4,614,672	$835,743	$1,100,865	$155,443	$11,662	$323,760	$0	$0	$210,000	$0	$400,000	$0	$0	$0

School Jurisdiction Code: 1135

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002 Restated		$10,780,290	$16,310,434
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$10,780,290	$16,310,434
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$391,312	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$125,000	
Interest earned on provincial government capital allocations		$212,110	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$573,646
Expended capital allocations - current year		($8,653,256)	$8,653,256
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,581,659
Balance at August 31, 2003		$2,855,456	$23,955,677

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

1. Authority and purpose

The School Division delivers education programs under the authority of the School Act, Chapter S - 3, Statutes of Alberta, January 1, 2002.

The School Division receives block allocations for Instruction and Support under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant policies being as follows:

Revenue recognition
Revenue is recognized as follows:

Instruction and support allocation are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital assets acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Temporary investments
Temporary investments are valued at cost. Accrued interest on these investments is recorded as it is earned.

Inventories
Inventories are recorded at the lesser of cost and net realizable value. Cost is determined on the basis of most recent invoice cost.

Capital assets
Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5 to 10%
Equipment and furnishings	10% and 20%
Vehicles and buses	10% and 20%

There is no amortization charged in the year of acquisition.

2. Summary of significant accounting policies (continued)

Capital assets (continued)
Only capital assets with costs in excess of $5,000 are capitalized.

School generated funds
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay
Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed services
Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pension obligation
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

The School Board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $206,679 for the year ended August 31, 2003. At December 31, 2002, the Local Authorities Pension Plan reported an actuarial deficiency of $444,980,000 (2001 surplus of $634,960,000).

Measurement uncertainty
The financial statements by their nature, contain estimates and are subject to measurement uncertainty. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided based on management's best information available at the time. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan expenses are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

Financial instruments
The jurisdiction=s financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management=s opinion that the jurisdiction is not exposed to significant

interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

2. Summary of significant accounting policies (continued)

Operating and capital reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits
The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs.

3. Temporary investments

Temporary investments consist of redeemable term investments with the Bank of Montreal in the amount of $4,322,835 (2002 - $12,937,808), bearing interest at rates ranging from 1.5% to 4%, which mature throughout the year.

4. Bank indebtedness

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing by-law and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003 (2002 - $0).

5. Deferred revenue

	2003	2002
BQRP revenue	$ 1,004,746	$ 1,388,356
Block modernization revenue	1,023,765	1,023,764
Transportation - one time funding	43,000	-
One Time Grant Funding 1999	-	11,000
One Time Grant Funding 2002	-	113,327
Excess Blood Tribe funds received	-	132,323
Chinook Country Student Health Partnership	-	17,627
Other	4,164	1,500
	$ 2,075,675	$ 2,687,897

6. Long-term debt

The School Division has issued the following debentures to the Alberta Capital Finance Authority to finance construction of school buildings having a carrying value of $28,836,488. The debenture debt is fully supported by Alberta Finance.

7.25% to 16.50% due 2003 to 2019	
	$3,708,610
Due within one year	(519,113)
	$3,189,497

Principal repayments required in each of the next five fiscal years and beyond are as follows:

	Principal	Interest	Total
2004	519,113	382,142	901,255
2005	459,813	328,293	788,106
2006	439,247	279,631	718,878
2007	421,417	231,965	653,382
2008	370,435	185,864	556,299
2009 to maturity	1,498,585	493,917	1,992,502

7. Internally restricted net assets

Net assets may be restricted by authorization of the Board of Trustees for future capital and operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2002	Appropriated	Used	2003
Operating Reserves				
School	$	$	$	$
	597,554	208,386	(650,497)	155,443
Board and System Administration	210,000	-	-	210,000
Operations and Maintenance	246,900	323,760	(246,900)	323,760
Transportation	-	400,000	-	400,000
	1,054,454	932,146	(897,397)	1,089,203
Capital Reserves				
Land - unsupported	10,000	-	-	10,000
Equipment	1,662	-	-	1,662
Vehicles	60,473	-	(60,473)	-
	72,135	-	(60,473)	11,662

	$	$	$	$
	1,126,589	932,146	(957,870)	1,100,865

8. Commitment

The School Division has entered into contracts for modernization of several schools. Total budgeted future expenditures for this project are $4,883,967.

9. Economic dependence on related third party

The Livingstone Range School Division No. 68's primary source of income is from the Alberta Government. The Division=s ability to continue viable operations is dependant on this funding.

10. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 24, 2002. It is presented for information purposes only and has not been audited.

11. Comparative figures

The budget 2003 and actual 2002 comparative figures have been reclassified where necessary to conform to actual 2003 presentation.

During the 2002-2003 school year, $2,028,511 was reclassified into deferred revenue from deferred capital allocations. $1,004,746 was from BQRP projects and $1,023,765 from Block Modernization. There was no effect on total net assets during the year.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 1135

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$22,018,416	$1,065,831	$20,952,585						
(2) Support block	$4,069,912				$2,743,442			$1,326,470	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$575,710	$0	$575,710						
(5) Student Health Initiative (SHI)	$209,828	$0	$209,828						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,098,000	$0	$1,098,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$82,317	$0	$71,317	$0	$0			$11,000	$0
(11) **Total Alberta Learning Revenue**	$26,054,183	$1,065,831	$22,907,440	$0	$2,743,442			$1,337,470	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$2,974,464			$2,974,464					
(14) Operations & Maintenance support (One-Time)	$323,760			$323,760					
(15) **Total Alberta Infrastructure Revenue**	$3,298,224	$0	$0	$3,298,224					
(16) **Alberta Finance**	$435,772			$435,772	$0			$0	$0
(17) **Other - Government of Alberta**	$1,287	$0	$0	$1,287	$0			$0	$0
(18) **Federal Government and/or First Nations**	$2,208,735	$12,538	$1,961,896	$130,011	$0			$104,290	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$211,003	$0	$211,003						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$704,983	$0	$673,014	$0	$31,969			$0	$0
(25) **Investment income**	$61,108	$0	$45,844	$2,100	$2,100			$11,064	$0
(26) **Gifts and donations**	$25,000	$0	$25,000	$0	$0				$0
(27) **Rentals of facilities**	$51,312		$0	$9,312	$22,200			$19,800	$0
(28) **Net school generated funds**	$879,966		$879,966					$0	
(29) **Gains on disposal of capital assets**	$10,766		$9,316	$0	$1,450			$0	$0
(30) **Amortization of capital allocations**	$1,581,659		$0	$1,581,659	$0				$0
(31) **TOTAL REVENUES**	$37,524,798	$1,078,369	$26,714,279	$5,458,365	$2,801,161			$1,472,624	$0
EXPENSES									
(32) **Certificated salaries**	$18,298,979	$499,774	$17,521,803				$277,402	$277,402	$0
(33) **Certificated benefits**	$2,065,670	$55,520	$1,969,698				$40,454	$40,454	$0
(34) **Uncertificated salaries and wages**	$6,669,227	$236,366	$4,142,041	$1,016,795	$758,133	$55,180	$462,712	$517,892	$0
(35) **Uncertificated benefits**	$1,175,555	$33,838	$725,898	$203,802	$89,594	$24,205	$98,320	$122,525	$0
(36) **SUB - TOTAL**	$28,209,431	$825,498	$24,359,536	$1,220,397	$845,727	$79,385	$878,888	$958,273	$0
(37) **Services, contracts & supplies**	$8,946,837	$48,999	$2,572,835	$2,234,139	$1,602,345	$64,593	$423,926	$488,519	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$879,966		$879,966						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,413,200	$0	$0	$1,413,200	$0		$0	$0	$0
(41) Unsupported	$423,688	$0	$130,584	$17,246	$263,683	$0	$12,175	$12,175	$0
(42) Total Amortization	$1,836,888	$0	$130,584	$1,430,446	$263,683	$0	$12,175	$12,175	$0
Interest on capital debt									
(43) Supported	$435,772	$0	$0	$435,772	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,765	$0	$0	$0	$0		$2,765	$2,765	$0
(46) Losses on disposal of capital assets	$183,887	$0	$14,847	$168,459	$581	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$38,495,546	$874,497	$27,957,768	$5,489,213	$2,712,336	$143,978	$1,317,754	$1,461,732	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($970,748)	$203,872	($1,243,489)	($30,848)	$88,825			$10,892	$0
Applicable student numbers/FTE equivalent	4,468.0	278	4,329.0	4,450.0	2,682			4,468.0	
AVERAGE PROGRAM COSTS per student	$8,616	$3,134	$6,458	$1,234	$1,011			$327	

School Jurisdiction Code: 1135

SCHEDULE B1 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,907,570	$1,173,805	$0	$669,533	$371,700	$399,295	$0	$17,521,903
Certificated benefits	$1,692,068	$113,496	$0	$74,295	$41,485	$48,352	$0	$1,969,696
Uncertificated salaries and wages	$1,088,715	$1,148,428	$0	$337,859	$1,289,039	$123,660	$154,340	$4,142,041
Uncertificated benefits	$181,784	$231,567	$0	$59,489	$207,622	$17,354	$28,080	$725,896
SUB - TOTAL REMUNERATION	$17,870,137	$2,667,296	$0	$1,141,176	$1,909,846	$588,661	$182,420	$24,359,536
Services, contracts & supplies	$2,121,324	$250,475	$0	$127,338	$36,871	$9,419	$27,408	$2,572,835
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$879,966							$879,966
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$130,584	$0					$130,584
Total Amortization	$0	$130,584	$0					$130,584
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$14,847	$0						$14,847
TOTAL EXPENSES	$20,886,274	$3,048,355	$0	$1,268,514	$1,946,717	$598,080	$209,828	$27,957,768
FTE Certificated				10.6	5.9			
FTE Uncertificated				13.4	40.2			

SCHEDULE B2 to the AFS

INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$17,862,331	$1,883,538	$3,515,228	$0	$23,261,097	$21,316,123	$1,944,974
School Admin & Instruction Support Expenses						$3,048,355	($3,048,355)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$17,862,331	$1,883,538	$3,515,228	$0	$23,261,097	$24,364,478	($1,103,381)
Sub-Programs & Initiatives							
Severely Disabled	$1,816,539		$0		$1,816,539	$1,946,717	($130,178)
English as a Second Language	$92,914				$92,914	$92,914	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$84,514		$0		$84,514	$119,460	($34,946)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$520,084				$520,084		$520,084
Growth & Density	$92,248				$92,248		$92,248
Teacher Assistants Program	$86,213				$86,213	$86,213	$0
Early Literacy Initiative (K-2)	$162,229				$162,229	$282,045	($119,816)
Learning Resources Credit & Resources for the Classroom	$47,486	$71,317	$211,003		$329,806	$331,407	($1,601)
Technology Integration	$173,634		$80,608		$254,242	$720,141	($465,899)
French Language Program & Francisation (all jurisdictions)	$4,089		$0		$4,089	$4,089	$0
Home Education	$10,304		$0		$10,304	$10,304	$0
Total Sub-Programs & Initiatives	$3,090,254		$291,611		$3,453,182	$3,593,290	($140,108)
INSTRUCTION, GRADES 1-12 (plus Early Lit ECS)	$20,952,585	$1,954,855	$3,806,839	$0	$26,714,279	$27,957,768	($1,243,489)

School Jurisdiction Code: 1135

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,065,831	$20,952,585		$2,743,442	$1,326,470	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$22,018,416* = *$440,368* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$0	$0		$0	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 1135

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$21,844,782
Support Block - Transportation	$2,743,442
SUBTOTAL	$24,588,224
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,974,464
Teacher Salary Enhancement	$1,098,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$1,287
Federal government/First Nations	$2,208,735
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$704,983
Interest on investments	$61,908
Rentals of facilities	$51,312
Gains on disposal of capital assets	$10,766
Amortization of capital allocations	$1,581,659
School generated funds (Schedule E)	$1,360,030
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$34,641,368**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.85%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,679,864
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,679,864**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,461,732
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,461,732
Maximum Expense Limit for Board & System Administration (Step 3)	$1,679,864
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$218,132

School Jurisdiction Code: 1135

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$693,556
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,360,030	
Less: SGF - related cost recoveries (Note 3)	$493,351	
- capitalized at the District level (Note 4)	$0	
Net Total	$866,679	
Plus: Donations Received (Note 5)	$72,008	
Equals: Net Additions to SGF		$938,687
Net SGF Available for discretionary spending		$1,632,243
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$879,966
Unexpended SGF - Closing Balance August 31, 2003		$752,277

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1135

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$657,715	$287,066	$0	$0	$72,014	$1,016,795		$1,016,795
Uncertificated benefits	$136,319	$55,348	$0	$0	$11,935	$203,602		$203,602
Sub-total Remuneration	$794,034	$342,414	$0	$0	$83,949	$1,220,397		$1,220,397
Contracted Services	$518,402	$197,439		$0	$3,164	$719,005		$719,005
Supplies	$99,717	$248,769	$0	$0	$0	$348,486		$348,486
Electricity			$509,638			$509,638		$509,638
Natural Gas/Heating Fuel			$528,761			$528,761		$528,761
Sewer and Water			$102,729			$102,729		$102,729
Telecommunications			$12,258			$12,258		$12,258
Insurance					$13,262	$13,262		$13,262
Amortization of capital assets								
Supported							$1,413,200	$1,413,200
Unsupported						$17,246		$17,246
Total Amortization						$17,246	$1,413,200	$1,430,446
Interest on capital debt								
Supported							$435,772	$435,772
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$168,459		$168,459
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,412,153	$788,622	$1,153,386	$0	$100,375	$3,640,241	$1,848,972	$5,489,213
SQUARE METRES								
School Buildings								77,617.0
Non School Buildings								3,632.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1135

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Kelly Hall	1.0	$9,050	$2,731	$0	$0	$0	$11,781	$3,399
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Fran Amundsen	1.0	$7,360	$1,728	$0	$0	$0	$9,088	$3,881
Name	Ray Everts	1.0	$8,640	$2,710	$0	$0	$0	$11,350	$4,281
Name	Barb Kirk	1.0	$6,620	$2,407	$0	$0	$0	$9,027	$1,471
Name	Judy Lee	1.0	$7,480	$2,615	$0	$0	$0	$10,095	$1,797
Name	Nina Shimo	1.0	$9,160	$407	$0	$0	$0	$9,567	$4,645
Name	Ron Zukowsky	1.0	$6,870	$2,457	$0	$0	$0	$9,327	$4,802
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*7.0*	*$55,180*	*$15,055*	*$0*	*$0*	*$0*	*$70,235*	*$24,276*
Superintendent	Dr. David Rideout	1.0	$117,623	$9,860	$5,100	$5,500	$0	$138,083	$18,860
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Don Olsen	1.0	$99,570	$15,811	$2,400	$0	$0	$117,781	$5,822
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		264.0	$18,175,856	$2,055,810	$0	$0	$0	$20,231,666	
Uncertificated Salaries & Wages		253.0	$6,514,477	$1,144,689	$0	$0	$0	$7,659,166	
TOTALS			$24,962,706	$3,241,225	$7,500	$5,500	$0	$28,216,931	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 1135

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 4501

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Medicine Hat Catholic Separate Regional Division No. 20
Name of School Jurisdiction

1251 - 1 Avenue S.W., Medicine Hat, AB, T1A 8B4
Mailing Address

403-527-2292 403-529-0917
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Medicine Hat Catholic Separate Regional Division No. 20
(Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Michael Tivadar	"Original Signed By"
Name	Signature

SUPERINTENDENT

Dr. Guy Tetrault	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Bernard A. Girardin MBA	"Original Signed By"
Name	Signature

2-Dec-03
Board-approved Release Date

c.c. ALBERTA LEARNING, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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JOHNSTON
MORRISON
HUNTER
& Co. LLP

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES
MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

We have audited the statement of financial position of the **Medicine Hat Catholic Separate Regional Division No. 20** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles and ministerial requirements for Alberta school jurisdictions.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Johnston Morrison Hunter & Co. LLP

CHARTERED ACCOUNTANTS

MEDICINE HAT, ALBERTA
NOVEMBER 5, 2003

School Jurisdiction Code: 4501

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,667,762	$6,443,838
Accounts receivable (net after allowances)		$1,787,748	$1,281,848
Prepaid expenses		$273,827	$271,655
Other current assets		$141,254	$65,798
Total current assets		$6,870,591	$8,063,139
School generated assets		$231,392	$194,496
Trust assets		$7,338	$7,209
Long term accounts receivable		$0	$0
Capital assets			
Land		$225,905	$225,905
Buildings	$19,755,507		
Less: accumulated amortization	($6,241,921)	$13,513,586	$12,925,114
Equipment	$55,084		
Less: accumulated amortization	($13,949)	$41,135	$37,197
Vehicles	$88,761		
Less: accumulated amortization	($9,062)	$79,699	$45,309
Total capital assets		$13,860,325	$13,233,525
TOTAL ASSETS		$20,969,646	$21,498,369
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,680,047	$1,367,430
Deferred revenue		$123,086	$396,916
Deferred capital allocations		$4,459,605	$5,433,542
Current portion of all long term debt		$234,616	$247,779
Total current liabilities		$6,497,354	$7,445,667
School generated liabilities		$231,392	$194,496
Trust liabilities		$7,338	$7,209
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$1,731,883	$1,979,663
Less: Current portion of supported debt		($234,616)	($247,779)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$11,690,954	$10,856,925
Total long term liabilities		$13,426,951	$12,790,514
TOTAL LIABILITIES		$19,924,305	$20,236,181
NET ASSETS			
Unrestricted net assets		$308,808	$315,103
Operating Reserves		$279,043	$519,455
Accumulated Operating Surplus (Deficit)		$587,851	$834,558
Investment in capital assets		$437,490	$396,939
Capital Reserves		$20,000	$30,691
Total Capital Funds		$457,490	$427,630
Total net assets		$1,045,341	$1,262,188
TOTAL LIABILITIES AND NET ASSETS		$20,969,646	$21,498,369

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4501

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$15,481,470	$15,606,426	$15,654,502
Alberta Infrastructure	$2,007,433	$1,810,054	$843,615
Alberta Finance	$198,207	$200,000	$222,701
Other Government of Alberta	$57	$0	$24,000
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$95,076	$142,614	$79,401
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$138,184	$115,000	$133,757
Transportation fees	$0	$0	$0
Other sales and services	$191,589	$138,400	$40,962
Investment income	$35,205	$0	$44,480
Gifts and donations	$7,645	$0	$2,001
Rentals of facilities	$203,962	$0	$137,655
Net school generated funds	$710,194	$245,000	$243,374
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$442,255	$315,000	$396,865
Total Revenues	$19,511,277	$18,572,494	$17,823,333
EXPENSES			
Certificated salaries	$10,069,468	$10,328,715	$9,540,093
Certificated benefits	$1,181,027	$1,238,724	$1,116,938
Uncertificated salaries and wages	$2,992,306	$2,750,577	$2,680,800
Uncertificated benefits	$752,569	$859,859	$645,240
Services, contracts and supplies	$3,368,288	$2,632,019	$3,226,870
Net school generated funds	$710,194	$245,000	$243,374
Capital and debt services			
Amortization of capital assets			
Supported	$442,256	$315,000	$396,865
Unsupported	$11,488	$0	$11,385
Total Amortization of capital assets	$453,744	$315,000	$408,250
Interest on capital debt			
Supported	$198,199	$200,000	$224,780
Unsupported	$0	$0	$0
Total Interest on capital debt	$198,199	$200,000	$224,780
Other interest charges	$2,329	$2,600	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$19,728,124	$18,572,494	$18,086,345
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($216,847)	$0	($263,012)
Block BQRP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($216,847)	$0	($263,012)

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4501

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($216,847)	($263,011)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($442,255)	($396,865)
Total amortization expense	$453,744	$408,250
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($505,900)	($439,135)
Prepaids and other current assets	($77,628)	$34,200
Payables and accrued liabilities	$312,617	($312,220)
Deferred revenue	($273,830)	($72,996)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($750,099)	($1,041,777)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,028,504)	($1,643,288)
Equipment	($8,588)	$0
Vehicles	($43,452)	($45,309)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,080,544)	($1,688,597)
C. FINANCING ACTIVITIES		
Capital allocations received	$54,567	$5,492,435
Issue of long term debt	$0	$0
Repayment of long term debt	($247,780)	($281,221)
Add back: supported portion	$247,780	$281,221
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$54,567	$5,492,435
Net sources (uses) of cash equivalents* during year	($1,776,076)	$2,762,061
Cash Equivalents at the beginning of the year	$6,443,838	$3,681,777
Cash Equivalents at the end of the year	$4,667,762	$6,443,838

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 4501

# STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$1,266,883	$396,939	$315,103	$554,841	$483,788	$0	$35,667	$4,695	$30,691	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
Reclassify Supp Cap to Deferred	($4,695)	$0	$0	($4,695)	$0	$0	$0	($4,695)	$0	$0	$0	$0	$0	$0	$0
Capital Allocations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$1,262,188	$396,939	$315,103	$550,146	$483,788	$0	$35,667	$0	$30,691	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($216,847)		($216,847)												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$52,040	($52,040)	$0	$0	$0			$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($453,744)	$453,744												
Amortization of capital allocations		$442,255	($442,255)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$15,000	($15,000)	$0		($23,000)			$8,000		$0		$0	
Net transfers from operating reserves			$225,412	($225,412)	($225,412)		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$10,601	($10,691)		$0			($10,691)		$0		$0		$0
Balance at August 31, 2003	$1,045,341	$437,490	$308,808	$299,043	$258,376	$0	$12,667	$0	$20,000	$8,000	$0	$0	$0	$0	$0

School Jurisdiction Code: 4501

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$5,428,847	$10,856,925
Prior period adjustment		$4,695	
Adjusted balance, August 31, 2002		$5,433,542	$10,856,925
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	($99,834)	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$154,401	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$247,780
Expended capital allocations - current year		($1,028,504)	$1,028,504
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$442,255
Balance at August 31, 2003		$4,459,605	$11,690,954

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 1 AUTHORITY AND PURPOSE

The Medicine Hat Catholic Separate Regional Division No. 20 delivers education programs under the authority of the School Act, Chapter S-3, Statues of Alberta, January 1, 2002. The school jurisdiction is exempt from payment of income tax under Section 149 of the Income Tax Act.

The school jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits the funding and expenses for administration. It permits the school jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) REVENUE RECOGNITION

Instruction and Support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions-in-kind are recorded at fair market value when reasonably determinable.

Interest earned on trust assets and liabilities is recorded as direct increases in trust assets and liabilities.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) TEMPORARY INVESTMENTS

Temporary investments are recorded at the lower of cost and market value.

(c) PREPAID EXPENSES

Certain expenses incurred and paid before the close of the school year are for specific school supplies and insurance, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(d) SCHOOL GENERATED FUNDS

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenses paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(e) TRUST ASSETS

Trust assets are recorded at cost unless there has been a permanent impairment in value. At that time, the trust cost is reduced to reflect the fair market value.

(f) CAPITAL ASSETS

Capital assets are recorded at cost. Donated assets are recorded at fair market value at the time of the donation. Amortization is recorded on a straight-line basis over the assets' useful lives starting the fiscal year following the year of acquisition at the following rates:

Buildings	40 years
Equipment	5 years
Vehicles	5 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(g) VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(h) PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act. the jurisdiction does not make pension contributions for certified staff.

The school jurisdiction participates in the multi-employer pension plan. Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $81.191 (2002- $73,104) for the year ended August 31, 2003.

(i) CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to various schools, which are within the school jurisdiction to ensure that certain programs are delivered, such as kindergarten. lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(j) FINANCIAL INSTRUMENTS

The carrying value of financial assets and financial liabilities are considered to approximate fair value unless otherwise disclosed.

(k) OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the school jurisdiction. to set aside funds for operating and for future capital expenses. Such reserves are appropriations of accumulated operating surplus.

(l) EMPLOYEE FUTURE BENEFITS

The school jurisdiction accounted for the future cost of employee benefits commencing in the 2001 2002 school year using the retroactive approach. There is no financial impact on the school jurisdiction at this time.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 3 CASH AND TEMPORARY INVESTMENTS

	MARKET VALUE	2003	2002
	$	$	$
Cash	467,762	467,762	1,643,838
Term deposit (effective interest 2.72%, due September 30, 2003)	4,200,626	4,200,000	4,800,000
	4,668,388	4,667,762	6,443,838

Market value as advised by an independent source.

NOTE 4 ACCOUNTS RECEIVABLE

	2003	2002
	$	$
Province of Alberta	388,446	402,703
Federal government	111,283	428,805
Alberta municipalities	1,195,505	410,565
Other	92,514	39,775
	1,787,748	1,281,848

NOTE 5 SCHOOL GENERATED FUNDS

	2003	2002
	$	$
Balance, beginning of year	194,496	194,548
Source of school generated funds (SGF)		
SGF for the year	776,865	795,752
Costs of generating SGF	(710,194)	(587,836)
Capitalized at the District level	- -	(21,000)
Donations received	63,442	56,406
Net SGF available for the year	324,609	437,870
Application of net SGF		
SGF expended for the year	(93,217)	(243,374)
Balance, end of year	231,392	194,496

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 6 TRUST ASSETS AND LIABILITIES

These balances represent cash that is held by the jurisdiction for the following areas:

	MARKET VALUE	2002	2001
	$	$	$
Scholarship Trust (effective interest rate 2.5%, due Feb. 2004)	7,379	7,338	7,209

NOTE 7 BANK INDEBTEDNESS

The school jurisdiction has negotiated a line of credit in the amount of $730,000 that bears interest at bank prime rate less 0.25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003.

NOTE 8 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003 $	2002 $
Province of Alberta	703,257	523,271
Other trade payables and accrued liabilities	976,790	844,159
	1,680,047	1,367,430

NOTE 9 DEFERRED REVENUE

	2003	2002
	$	$
1999 one time grant	- -	39,000
Building Quality Restoration Program	18,951	321,596
2002 One Time Grant	- -	31,320
Palliser Health Special Ed	- -	5,000
Plant operations and maintenance one time grant	104,135	- -
	123,086	396,916

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 10 DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the school jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations are as follows:

	2003	2002
	$	$
Balance, beginning of year	5,433,542	1,535,466
Allocations received and receivable	24,334	5,492,435
Transfer from capital reserve	30,234	4,695
Transfers to unamortized capital allocations (Note 12)	(1,028,505)	(1,599,054)
Balance, end of year	4,459,605	5,433,542

NOTE 11 LONG TERM DEBT

	2003	2002
	$	$
Alberta Capital Finance Authority 7.25% to 12.00%, due 2003 to 2016	1,713,922	1,943,732
Capital Loan - Bow Island Prime rate of interest, due 2004	17,961	35,931
	1,731,883	1,979,663
Portion repayable within one year	(234,616)	(247,779)
	1,497,267	1,731,884

Approximate repayments of long term debt are as follows:

	$
2004	234,616
2005	191,108
2006	162,413
2007	145,902
2008	145,902
2008 and on	851,942
	1,731,883

The above debt is fully supported by Alberta Capital Finance Authority. The current portion of long-term debt consists entirely of amounts payable by Alberta Capital Finance Authority on supported debt. Therefore, the working capital (current assets less current liabilities) is effectively understated by this amount.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 12 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the school jurisdiction's externally funded net investment in capital assets. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes are as follows:

	2003	2002
	$	$
Balance, beginning of year	10,856,925	9,373,515
Supported debenture principal repayments	247,779	281,221
Transfer from deferred capital allocations (Note 10)	1,028,505	1,599,054
Capital allocation revenue	(442,255)	(396,865)
Balance, end of year	11,690,954	10,856,925

NOTE 13 INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenses and future operating expenses. The amounts are established and expensed in accordance with terms and conditions established by the board.

OPERATING RESERVES	2002	APPROPRIATED	USED	2003
	$	$	$	$
Schools	483,788	- -	(225,412)	258,376
System admin	- -	8,000	- -	8,000
Operations and Maintenance	35,667	- -	(23,000)	12,667
	519,455	8,000	(248,412)	279,043

CAPITAL RESERVES	2002	APPROPRIATED	USED	2003
	$	$	$	$
Building – supported	- -	30,234	(30,234)	- -
Building – unsupported	30,000	- -	(10,000)	20,000
Vehicles	691	- -	(691)	- -
	30,691		(40,925)	20,000
Total Reserves	550,146	38,234	(289,337)	299,043

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 14 RELATED PARTY TRANSACTIONS

During the year, the school jurisdiction entered into transactions with related parties.

The following transactions are recorded at the exchange amount which represents the amount of consideration paid or received as established and agreed to by related parties:

a) Grants from Alberta Government Departments

	RECEIVED	DEFERRED	2003	2002
	$	$	$	$
Alberta Learning	15.481.470	- -	15.481.470	15.654.502
Alberta Infrastructure	1.044.717	962.716	2.007.433	843.615
Alberta Finance	198.207	- -	198.207	222.701
Other Alberta Government Department	57	- -	57	24.000
Total Grants	16,724,451	962,716	17,687,167	16,744,818

b) Medicine Hat Catholic School's Education Foundation

The school jurisdiction has an economic interest in the Medicine Hat Catholic School's Education Foundation. The Medicine Hat Catholic School's Education Foundation is a registered public foundation and charity created to solicit, receive and administer funds and property donated for the advancement of Medicine Hat Catholic Separate Regional Division No. 20. The Foundation is exempt from payment of income tax under Section 149 of the Income Tax Act.

During the year, the Foundation contributed $37,869 (2001 - $19,396) to the school jurisdiction.

Also, the school jurisdiction provides certain administrative services and accommodations at no cost to the Foundation.

c) Other School Jurisdictions

During the year, the school jurisdiction conducted business transactions with other public school boards. The revenues and expenses incurred for these transactions have been included in the statement of operations, but have not been separately quantified. These transactions were entered into on the same business terms as with non-related parties and are recorded at fair value.

MEDICINE HAT CATHOLIC SEPARATE REGIONAL DIVISION NO. 20

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 15 PRIOR PERIOD ADJUSTMENTS

Deferred capital allocations (2002. $5,428,847) has been increased to $5,433,542 and capital reserves (2002. $35,386) has been decreased to $30,691 as a result of a change in accounting treatment regarding supported capital funding

NOTE 16 COMMITMENTS

The school jurisdiction is committed to further capital expenditures for the construction of the Notre Dame school of approximately $4.1 million. The funding of these costs have been deferred and included in deferred capital allocations balance.

The school jurisdiction is committed under an operating lease for the rental of office equipment which expires in 2004. There is one lease payment of $4,685 remaining due November 1, 2003.

NOTE 17 CONTINGENCIES

The school jurisdiction is a member of an Urban School Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims and is not an asset that the school jurisdiction can liquidate.

The school jurisdiction is contingently liable for corporate credit cards issued with a combined authorized credit limit of $951,050.

NOTE 18 ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The school jurisdiction primary source of income is from the Alberta Government. The jurisdiction ability to continue viable operations is dependent on this funding.

NOTE 19 COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

NOTE 20 BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

NOTE 21 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 4501

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$13,165,853	$1,145,529	$12,020,324						
(2) Support block	$1,293,510				$415,673			$877,837	
(3) Instruction & support block reallocations	$0	($284,899)	$317,140		($14,641)			($17,600)	$0
(4) Alberta Initiative for School Improvement (AISI)	$317,380	$0	$317,380						
(5) Student Health Initiative (SHI)	$25,200	$0	$25,200						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$582,000	$0	$582,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$97,527	$0	$39,000	$0	$58,527			$0	$0
(11) **Total Alberta Learning Revenue**	$15,481,470	$860,630	$13,301,044	$0	$459,559			$860,237	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$317,082	$0	$0	$317,082					
(13) Operations & Maintenance support	$1,654,668			$1,654,668					
(14) Operations & Maintenance support (One-Time)	$35,683			$35,683					
(15) **Total Alberta Infrastructure Revenue**	$2,007,433	$0	$0	$2,007,433					
(16) **Alberta Finance**	$198,207			$198,207	$0			$0	$0
(17) **Other - Government of Alberta**	$57	$0	$57	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$95,076	$0	$95,076	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$138,184	$0	$138,184						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$191,589	$0	$68,534	$105,979	$0			$17,076	$0
(25) **Investment income**	$35,205	$0	$35,205	$0	$0			$0	$0
(26) **Gifts and donations**	$7,645	$0	$7,645	$0	$0				$0
(27) **Rentals of facilities**	$203,962		$113,037	$90,925	$0			$0	$0
(28) **Net school generated funds**	$710,194		$710,194					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$442,255		$0	$442,255	$0				$0
(31) **TOTAL REVENUES**	$19,511,277	$860,630	$14,468,976	$2,844,799	$459,559			$877,313	$0
EXPENSES									
(32) **Certificated salaries**	$10,069,468	$336,914	$9,521,106				$211,448	$211,448	$0
(33) **Certificated benefits**	$1,181,027	$64,524	$1,097,698				$18,805	$18,805	$0
(34) **Uncertificated salaries and wages**	$2,992,306	$270,867	$1,532,236	$843,145	$4,959	$68,880	$272,219	$341,099	$0
(35) **Uncertificated benefits**	$752,569	$63,441	$428,601	$197,725	$850	$4,290	$57,662	$61,952	$0
(36) **SUB - TOTAL**	$14,995,370	$735,746	$12,579,641	$1,040,870	$5,809	$73,170	$560,134	$633,304	$0
(37) **Services, contracts & supplies**	$3,368,288	$124,884	$1,427,716	$1,120,258	$453,750	$57,102	$184,578	$241,680	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$710,194		$710,194						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$442,256	$0	$0	$442,256	$0		$0	$0	$0
(41) Unsupported	$11,488	$0	$0	$11,488	$0	$0	$0	$0	$0
(42) Total Amortization	$453,744	$0	$0	$453,744	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$198,199	$0	$0	$198,199	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,329	$0	$0	$0	$0		$2,329	$2,329	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$19,728,124	$860,630	$14,717,551	$2,813,071	$459,559	$130,272	$747,041	$877,313	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($216,847)	$0	($248,575)	$31,728	$0			$0	$0
Applicable student numbers/FTE equivalent	2,522.0	109	2,413.0	2,413.0	1,100			2,522.0	
AVERAGE PROGRAM COSTS per student	$7,822	$7,896	$6,099	$1,166	$418			$348	

School Jurisdiction Code: 4501

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$7,126,500	$1,025,118	$154,640	$816,667	$202,650	$195,531	$0	$9,521,106
Certificated benefits	$824,848	$105,788	$16,880	$108,638	$21,976	$19,568	$0	$1,097,698
Uncertificated salaries and wages	$440,729	$411,347	$35,539	$53,277	$563,251	$6,310	$21,783	$1,532,236
Uncertificated benefits	$166,140	$96,212	$9,231	$14,073	$137,877	$2,274	$2,794	$428,601
SUB - TOTAL REMUNERATION	$8,558,217	$1,638,465	$216,290	$992,655	$925,754	$223,683	$24,577	$12,579,641
Services, contracts & supplies	$1,065,533	$36,565	$22,724	$153,749	$55,207	$93,938	$0	$1,427,716
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$710,194							$710,194
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$10,333,944	$1,675,030	$239,014	$1,146,404	$980,961	$317,621	$24,577	$14,717,551
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$10,713,276	$963,580	$934,672	$317,140	$12,928,668	$10,874,922	$2,053,746
School Admin & Instruction Support Expenses						$1,675,030	($1,675,030)
System Instruction Support Expenses						$239,014	($239,014)
Total Basic Instruction	$10,713,276	$963,580	$934,672	$317,140	$12,928,668	$12,788,966	$139,702
Sub-Programs & Initiatives							
Severely Disabled	$684,066		$95,076		$779,142	$980,961	($201,819)
English as a Second Language	$9,076				$9,076	$9,076	$0
Enhanced Opportunities	$48,000				$48,000	$39,344	$8,656
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$207,558				$207,558		$207,558
Growth & Density	$66,758				$66,758		$66,758
Teacher Assistants Program	$54,066				$54,066	$59,172	($5,106)
Early Literacy Initiative (K-2)	$106,929				$106,929	$103,409	$3,520
Learning Resources Credit & Resources for the Classroom	$24,825	$0	$138,184		$163,009	$420,321	($257,312)
Technology Integration	$103,845		$0		$103,845	$310,142	($206,297)
French Language Program & Francisation (all jurisdictions)	$1,925		$0		$1,925	$6,160	($4,235)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$1,307,048		$233,260		$1,540,308	$1,928,585	($388,277)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$12,020,324	$963,580	$1,167,932	$317,140	$14,468,976	$14,717,551	($248,575)

School Jurisdiction Code: 4501

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$1,145,529	$12,020,324		$415,673	$877,837	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of ***$13,165,853*** = ***$263,317*** ***$0***						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$14,641		($14,641)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$17,600			($17,600)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($284,899)	$284,899				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($284,899)	$317,140		($14,641)	($17,600)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 4501

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$13,062,008
Support Block - Transportation	$415,673
SUBTOTAL	$13,477,681

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,654,668
Teacher Salary Enhancement	$582,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$57
Federal government/First Nations	$0
Other Alberta school authorities	$95,076
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$191,589
Interest on investments	$35,205
Rentals of facilities	$203,962
Gains on disposal of capital assets	$0
Amortization of capital allocations	$442,255
School generated funds (Schedule E)	$776,865
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$17,459,358**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**5.79%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,010,181

Considerations for Charter Schools and Francophone Boards:

If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,010,181**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$877,313
PLUS: transfers to Restricted - Operating (Board/System Administration)	$8,000
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$885,313

Maximum Expense Limit for Board & System Administration (Step 3)	$1,010,181
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$124,868

School Jurisdiction Code: 4501

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$194,496
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$776,865	
Less: SGF - related cost recoveries (Note 3)	$93,217	
- capitalized at the District level (Note 4)	$0	
Net Total	$683,648	
Plus: Donations Received (Note 5)	$63,442	
Equals: Net Additions to SGF		$747,090
Net SGF Available for discretionary spending		$941,586
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$710,194
Unexpended SGF - Closing Balance August 31, 2003		$231,392

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 4501

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$611,945	$170,256	$0	$0	$60,944	$843,145		$843,145
Uncertificated benefits	$152,574	$33,435	$0	$0	$11,716	$197,725		$197,725
Sub-total Remuneration	$764,519	$203,691	$0	$0	$72,660	$1,040,870		$1,040,870
Contracted Services	$0	$63,793	$0	$0	$0	$63,793		$63,793
Supplies	$71,702	$202,564	$0	$317,082	$0	$591,348		$591,348
Electricity			$237,911			$237,911		$237,911
Natural Gas/Heating Fuel			$89,321			$89,321		$89,321
Sewer and Water			$68,366			$68,366		$68,366
Telecommunications			$8,772			$8,772		$8,772
Insurance					$60,747	$60,747		$60,747
Amortization of capital assets								
Supported							$442,256	$442,256
Unsupported						$11,488		$11,488
Total Amortization						$11,488	$442,256	$453,744
Interest on capital debt								
Supported							$198,199	$198,199
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$836,221	$470,048	$404,370	$317,082	$133,407	$2,172,616	$640,455	$2,813,071
SQUARE METRES								
School Buildings								29,550.0
Non School Buildings								1,604.1

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety staindards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 4501

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Michael Tivadar	1.0	$15,580	$387	$0	$0	$0	$15,967	$4,879
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name George Kambeitz	1.0	$14,325	$1,403	$0	$0	$0	$15,728	$1,888
Name Immanuel Moritz	1.0	$12,625	$815	$0	$0	$0	$13,440	$1,572
Name Mario Rossetto	1.0	$14,025	$883	$0	$0	$0	$14,908	$3,958
Name Kelly Van Ham	1.0	$12,325	$802	$0	$0	$0	$13,127	$2,189
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$68,880*	*$4,290*	*$0*	*$0*	*$0*	*$73,170*	*$14,486*
Superintendent Dr. Guy Tetrault	1.0	$117,701	$9,014	$0	$0	$0	$126,715	$15,496
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Bernard Girardin	1.0	$91,122	$14,551	$0	$0	$0	$105,673	$8,932
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	149.9	$9,776,767	$1,172,013	$0	$0	$175,000	$11,123,780	
Uncertificated Salaries & Wages	102.0	$2,832,304	$733,728	$0	$0	$0	$3,566,032	
TOTALS		**$12,886,774**	**$1,933,596**	**$0**	**$0**	**$175,000**	**$14,995,370**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 4501

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 3050

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Medicine Hat School District No. 76
Name of School Jurisdiction

601 First Avenue S. E. Medicine Hat, Alberta T1A 4Y7
Mailing Address

(403) 528-6728 and 529-5339
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Medicine Hat School District No. 76 (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Deborah Forbes	"Original Signed By"
Name	**Signature**

SUPERINTENDENT

Linda Rossler	"Original Signed By"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Doug Pudwell	"Original Signed By"
Name	**Signature**

6-Jan-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

School Jurisdiction Code: 3050

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JOHNSTON
MORRISON
HUNTER
& Co. LLP

AUDITORS' REPORT

TO THE BOARD OF TRUSTEES
MEDICINE HAT SCHOOL DISTRICT NO. 76

We have audited the statement of financial position of the **Medicine Hat School District No. 76** as at August 31, 2003 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles and ministerial requirements for Alberta school jurisdictions.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Johnston Morrison Hunter & Co. LLP
CHARTERED ACCOUNTANTS

MEDICINE HAT, ALBERTA
DECEMBER 5, 2003

School Jurisdiction Code: 3050

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$4,890,503	$8,008,766
Accounts receivable (net after allowances)		$2,521,292	$1,018,966
Prepaid expenses		$192,767	$229,659
Other current assets		$489,407	$574,335
Total current assets		$8,093,969	$9,831,726
School generated assets		$847,485	$769,736
Trust assets		$1,536,527	$1,653,914
Long term accounts receivable		$0	$0
Capital assets			
Land		$1,962,982	$1,962,982
Buildings	$46,603,330		
Less: accumulated amortization	($20,831,990)	$25,771,340	$24,332,802
Equipment	$2,374,710		
Less: accumulated amortization	($1,470,864)	$903,846	$909,016
Vehicles	$247,412		
Less: accumulated amortization	($181,258)	$66,154	$90,906
Total capital assets		$28,704,322	$27,295,706
TOTAL ASSETS		$39,182,303	$39,551,082
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,144,592	$1,892,985
Deferred revenue		$926,535	$1,321,409
Deferred capital allocations		$793,372	$2,182,329
Current portion of all long term debt		$891,221	$1,002,570
Total current liabilities		$4,755,720	$6,399,293
School generated liabilities		$847,485	$769,736
Trust liabilities		$1,536,527	$1,653,914
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$6,076,622	$6,977,249
Less: Current portion of supported debt		($768,370)	($900,626)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$607,181	$656,841
Mortgages		$0	$0
Less: Current portion of unsupported debt		($122,851)	($101,944)
Unamortized capital allocations		$18,920,922	$16,656,542
Total long term liabilities		$27,097,516	$25,711,712
TOTAL LIABILITIES		$31,853,236	$32,111,005
NET ASSETS			
Unrestricted net assets		$266,590	$410,270
Operating Reserves		$2,492,677	$2,584,641
Accumulated Operating Surplus (Deficit)		$2,759,267	$2,994,911
Investment in capital assets		$3,099,600	$3,005,078
Capital Reserves		$1,470,200	$1,440,088
Total Capital Funds		$4,569,800	$4,445,166
Total net assets		$7,329,067	$7,440,077
TOTAL LIABILITIES AND NET ASSETS		$39,182,303	$39,551,082

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3050

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$36,065,979	$35,501,751	$37,466,040
Alberta Infrastructure	$5,110,505	$4,565,368	$2,171,218
Alberta Finance	$677,547	$677,547	$736,321
Other Government of Alberta	$127,098	$114,291	$140,254
Federal Government and/or First Nations	$25,532	$59,422	$21,097
Other Alberta school authorities	$67,560	$35,000	$115,887
Out of province authorities	$141,488	$0	$55,550
Alberta Municipalities (excluding supplementary requisitions)	$11,220	$12,511	$12,096
Instruction resource fees	$411,522	$434,617	$398,931
Transportation fees	$0	$0	$0
Other sales and services	$827,721	$342,677	$467,686
Investment income	$163,247	$228,500	$135,317
Gifts and donations	$205,331	$65,000	$63,782
Rentals of facilities	$92,338	$41,899	$84,029
Net school generated funds	$1,748,585	$1,716,163	$1,657,178
Gains on disposal of capital assets	$0	$0	$6,825
Amortization of capital allocations	$1,080,511	$981,209	$1,061,684
Total Revenues	$46,756,184	$44,775,955	$44,593,895
EXPENSES			
Certificated salaries	$24,284,301	$23,708,286	$23,582,818
Certificated benefits	$3,198,301	$3,188,290	$2,998,191
Uncertificated salaries and wages	$6,833,558	$6,486,752	$6,386,461
Uncertificated benefits	$1,626,630	$1,511,065	$1,436,413
Services, contracts and supplies	$7,158,698	$6,226,531	$6,487,895
Net school generated funds	$1,748,585	$1,716,163	$1,657,178
Capital and debt services			
Amortization of capital assets			
Supported	$1,080,511	$981,209	$1,061,684
Unsupported	$254,449	$209,006	$251,087
Total Amortization of capital assets	$1,334,960	$1,190,215	$1,312,771
Interest on capital debt			
Supported	$677,546	$677,547	$736,346
Unsupported	$62,883	$62,506	$48,835
Total Interest on capital debt	$740,429	$740,053	$785,181
Other interest charges	$2,761	$8,600	$2,512
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$46,928,223	$44,775,955	$44,649,420
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($172,039)	$0	($55,525)
Block BQRP revenue used for capital purposes	$61,029	$0	$250,389
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$28,339
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($111,010)	$0	$223,203

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 3050

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($111,010)	$223,203
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,080,511)	($1,061,684)
Total amortization expense	$1,334,960	$1,312,771
Gains on disposal of capital assets	$0	($6,825)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,502,326)	($303,669)
Prepaids and other current assets	$121,820	($143,783)
Payables and accrued liabilities	$251,607	$1,139,486
Deferred revenue	($394,874)	($550,556)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,380,334)	$608,943
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,545,625)	($6,085,237)
Equipment	($197,951)	($245,093)
Vehicles	$0	($54,046)
Net proceeds from disposal of capital assets	$0	$6,825
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,743,576)	($6,377,551)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,055,308	$1,485,958
Issue of long term debt	$69,100	$0
Repayment of long term debt	($1,019,387)	($1,080,265)
Add back: supported portion	$900,626	$940,996
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,005,647	$1,346,689
Net sources (uses) of cash equivalents* during year	($3,118,263)	($4,421,919)
Cash Equivalents at the beginning of the year	$8,008,766	$12,430,685
Cash Equivalents at the end of the year	$4,890,503	$8,008,766

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

School Jurisdiction Code: 3050

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 15)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$7,440,077	$3,005,078	$410,270	$4,024,729	$199,825	$676,054	$15,314	$0	$209,978	$639,925	$554,056	$1,414,954	$0	$314,623	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$7,440,077	$3,005,078	$410,270	$4,024,729	$199,825	$676,054	$15,314	$0	$209,978	$639,925	$554,056	$1,414,954	$0	$314,623	$0
Surplus(def) of revenue over expenses	($111,010)		($111,010)												
Block BQRP funded capital transactions		$61,029	($61,029)												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$169,184	$0	($169,184)	$0	$0	$0		($169,184)	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($1,334,960)	$1,334,960												
Amortization of capital allocations		$1,080,511	($1,080,511)												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$118,758	($118,758)												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$91,964	($91,964)	($84,411)		$0			($9,846)		$0		$2,293	
Net transfers to capital reserves			($199,296)	$199,296		$120,945			$73,946		$4,405		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$7,329,067	$3,099,600	$266,590	$3,962,877	$115,414	$796,999	$15,314	$0	$114,740	$630,079	$558,461	$1,414,954	$0	$316,916	$0

School Jurisdiction Code: 3050

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$2,182,329	$16,656,542
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$2,182,329	$16,656,542
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$1,006,661	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$48,647	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$900,626
Expended capital allocations - current year		($2,444,265)	$2,444,265
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,080,511
Balance at August 31, 2003		$793,372	$18,920,922

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 1 AUTHORITY AND PURPOSE

The Medicine Hat School District No. 76 delivers education programs under the authority of the School Act, Chapter S-3 Revised Statues of Alberta, January 1, 2002. The jurisdiction is exempt from payment of income tax under Section 149 of the Income Tax Act.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits the funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

(a) REVENUE RECOGNITION

Instruction and Support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions of materials and services that would otherwise have been purchased are recorded at fair market value when a fair market value can be reasonably determined.

Interest earned on trust assets and liabilities is recorded as direct increases in trust assets and liabilities.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Externally restricted capital allocations from the province or other agencies are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested representing funded capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as amortization of capital allocations revenue in the periods which the related amortization expense of the funded capital asset is recorded.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) PREPAID EXPENSES

Certain expenses incurred and paid before the close of the school year are for specific school supplies, and insurance, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(c) INVENTORIES

Inventories are valued at the lower of cost (cost determined on an average basis) and net realizable value.

(d) SCHOOL GENERATED FUNDS

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenses paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

(e) TRUST ASSETS

Trust assets are recorded at cost unless there has been an other than temporary decline in value. At that time, the asset cost is reduced to reflect the fair market value.

(f) CAPITAL ASSETS

Capital assets are recorded at cost. Donated assets are recorded at fair market value at the time of the donation. Amortization is recorded on a straight-line basis over the assets' useful lives, at the following rates:

Buildings	40 years
Equipment	5- 10 years
Vehicles	5 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(g) VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the jurisdiction does not make pension contributions for certified staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $216,267 (2002- $168,095) for the year ended August 31, 2003. The jurisdiction's portion of the pension plan's deficit or surplus is not recorded by the jurisdiction.

(i) CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(j) FINANCIAL INSTRUMENTS

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, trust assets, accounts payable, accrued liabilities, trust liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

(k) OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenses. Such reserves are appropriations of accumulated operating surplus.

(l) EMPLOYEE FUTURE BENEFITS

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 3 OTHER CURRENT ASSETS

	2003	2002
	$	$
Inventories	489,387	574,315
Alberta Capital Finance Authority share	20	20
	489,407	574,335

NOTE 4 CAPITAL ASSETS

Included in capital assets are assets under capital leases as follows:

	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE	
			2003	2002
	$	$	$	$
Equipment	1,212,909	854,189	358,720	417,313

Capital assets – buildings includes $0 at August 31, 2003 (2002 - $5,098,430) of work in progress that is not being amortized.

NOTE 5 BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,000,000 that bears interest at bank prime rate less 0.25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2003 (2002 – nil).

NOTE 6 DEFERRED REVENUE

	2003	2002
	$	$
Parents As Teachers	39,127	- -
Maintenance and Operations	358,933	- -
Resources and Learning for Classrooms	116,961	- -
One Time Grant Funding 1999	- -	200,014
Building Quality Restoration Program	271,024	730,304
Alberta Initiative for School Improvement	57,072	164,701
Non-resident student tuition	50,315	97,020
One Time Grant Funding 2002	- -	78,828
Chamber of Commerce grant	25,886	43,758
Other	7,217	6,784
	926,535	1,321,409

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 7 DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded. Details of the changes in the deferred capital allocations are as follows:

	2003	2002
	$	$
Balance, beginning of year	2,182,329	6,721,990
Allocations received and receivable	1,006,661	1,350,512
Interest earned on capital allocations	48,647	135,446
Transfers to unamortized capital allocations (Note 11)	(2,444,265)	(6,025,619)
Balance, end of year	793,372	2,182,329

NOTE 8 SCHOOL GENERATED FUNDS

	2003	2002
	$	$
Balance, beginning of year	769,736	779,516
Source of School Generated Funds (SGF)		
SGF for the year	2,089,246	2,056,492
Costs of generating SGF	(262,912)	(351,959)
SGF capitalized at the district level	(-)	(7,135)
Net SGF available for the year	1,826,334	1,647,398
Application of Net SGF	2,596,070	2,426,914
Net SGF expended for the year	(1,748,585)	(1,657,178)
Balance, end of year	847,485	769,736

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 9 TRUST ASSETS AND LIABILITIES

These balances represent cash, investments and other assets that are held by the jurisdiction for the following areas:

	MARKET VALUE	COST 2003	COST 2002
	$	$	$
Endowment funds for scholarships			
GIC – effective interest rates of 2.37% - 5.65%, due June 2004 - June 2011	1,000,096	960,885	950,605
Stocks	178,046	149,433	163,362
Cash	280,298	280,298	376,512
Interest receivable	13,335	13,335	22,645
Mineral rights	3,500	3,500	3,500
	1,475,275	1,407,451	1,516,624
Deferred salary leave plan	129,076	129,076	137,290
	1,604,351	1,536,527	1,653,914

Market value as advised by an independent source

NOTE 10 LONG-TERM DEBT

	2003	2002
	$	$
Debenture Debt - Alberta Capital Finance Authority 6.88% to 12.00%, due October 2002 to March 2015	6,076,622	6,977,249
Obligations Under Capital Lease 9.33% to 10.90%, due October 2003 to September 2007	607,181	656,841
	6,683,803	7,634,090
Portion repayable within one year	(891,221)	(1,002,570)
	5,792,582	6,631,520

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 10 LONG-TERM DEBT (CONTINUED)

The debenture debt is fully supported by Alberta Learning. The current portion of long-term debt consists of $768,370 payable to Alberta Capital Finance Authority on supported debt. Therefore the working capital (current assets less current liabilities) is understated by this amount.
Approximate principal repayments of long term debt are as follows:

	$
2004	891,221
2005	887,569
2006	800,774
2007	765,271
2008	700,917
2009 and on	2,638,051
	6,683,803

Approximate repayments of obligations under capital lease are as follows:

	PRINCIPAL $	INTEREST $	TOTAL $
2004	122,850	58,416	181,266
2005	123,083	46,473	169,556
2006	135,060	34,496	169,556
2007	124,981	21,348	146,329
2008	101,207	9,444	110,651
	607,181	170,177	777,358

NOTE 11 UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's externally funded net investment in capital assets. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account. Details of the changes are as follows:

	2003 $	2002 $
Balance, beginning of year	16,656,542	10,751,611
Supported debenture principal repayments	900,626	940,996
Transfer from deferred capital allocations (Note 7)	2,444,265	6,025,619
Capital allocation revenue	(1,080,511)	(1,061,684)
Balance, end of year	18,920,922	16,656,542

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 12 INTEREST PAID

Cash flows from interest paid and included in the determination of surplus (deficit) of revenues over expenses was $740,053 (2002 - $819,180).

NOTE 13 INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenses and future operating expenses. The amounts are established and expended in accordance with terms and conditions established by the board.

NOTE 14 RELATED PARTY TRANSACTIONS

During the year, the jurisdiction entered into transactions with related parties.

The following transactions are recorded at the exchange amount which represents the amount of consideration paid or received as established and agreed to by related parties.

a) ALBERTA GOVERNMENT DEPARTMENTS

	RECEIVED & RECEIVABLE	DEFERRED NET	REVENUE 2003	REVENUE 2002
	$	$	$	$
Alberta Learning	35,875,297	190,682	36,065,979	39,130,360
Alberta Infrastructure	4,651,224	459,281	5,110,505	785,626
Alberta Capital Finance	677,547	- -	677,547	736,321
Other Alberta Government	166,224	(39,126)	127,098	140,254
	41,370,292	610,837	41,981,129	40,792,561

The school jurisdiction paid $1,578,173 (2002 - $1,677,316) in principal and interest on debenture debt to the Alberta Capital Finance Authority.

b) OTHER ALBERTA SCHOOL JURISDICTIONS

The school jurisdiction received $41,939 (2002 - $40,500) for maintaining school grounds for the Medicine Hat Catholic Separate Regional Division No. 20.

The school jurisdiction received $294,500 (2002 – $26,287) for maintaining school grounds for the Medicine Hat College.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 14 RELATED PARTY TRANSACTIONS (CONTINUED)

c) MEDICINE HAT PUBLIC SCHOOL'S EDUCATION FOUNDATION

The jurisdiction has an economic interest in the Medicine Hat Public School's Education Foundation. The Medicine Hat Public School's Education Foundation is a registered public foundation and charity created to solicit, receive and administer funds and property donated for the advancement of Medicine Hat School District No.76. The Foundation is exempt from payment of income tax under Section 149 of the Income Tax Act.

	2003	2002
	$	$
Revenue acquired by the Foundation on behalf of the school jurisdiction	106,911	42,521
Operating funds expended to earn revenue on behalf of the school jurisdiction	48,409	8,676
	58,502	33,845

In addition, the school jurisdiction provides certain administrative services and occupancy at no cost to the Foundation.

NOTE 15 CONTINGENCIES

a) The jurisdiction is a member of an Urban School Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenses in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

b) The jurisdiction is contingently liable for corporate credit cards issued with a combined authorized credit limit of $1,240,600 (2002 - $1,478,110).

NOTE 16 COMMITMENTS

The jurisdiction is committed under leases for certain equipment expiring from September 2005 to September 2009.

Minimum annual lease payments are as follows:

2004	181,266
2005	169,556
2006	169,556
2007	146,329
2008	110,651

NOTE 17 BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

MEDICINE HAT SCHOOL DISTRICT NO. 76

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2003

NOTE 18 COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

NOTE 19 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Trustees.

School Jurisdiction Code: 3050

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$30,348,158	$2,099,551	$28,248,607						
(2) Support block	$2,721,636				$1,258,930			$1,462,706	
(3) Instruction & support block reallocations	$0	($555,001)	$844,221		($289,220)			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$883,757	$0	$883,757						
(5) Student Health Initiative (SHI)	$326,616	$0	$326,616						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,454,000	$40,251	$1,413,749					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$331,812	$0	$331,812	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$36,065,979	$1,584,801	$32,048,762	$0	$969,710			$1,462,706	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$735,795	$0	$0	$735,795					
(13) Operations & Maintenance support	$4,374,710			$4,374,710					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$5,110,505	$0	$0	$5,110,505					
(16) **Alberta Finance**	$677,547			$677,547	$0			$0	$0
(17) **Other - Government of Alberta**	$127,098	$0	$0	$0	$0			$0	$127,098
(18) **Federal Government and/or First Nations**	$25,532	$12,344	$732	$10,847	$0			$1,609	$0
(19) **Other Alberta school authorities**	$67,560	$0	$25,860	$41,700	$0			$0	$0
(20) **Out of province authorities**	$141,488	$0	$141,488	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$11,220	$0	$0	$0	$0			$0	$11,220
(22) **Instruction resource fees**	$411,522	$27,383	$384,139						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$827,721	$0	$169,625	$3,000	$0			$15,484	$639,612
(25) **Investment income**	$163,247	$0	$135,848	$2,209	$3,106			$21,545	$539
(26) **Gifts and donations**	$205,331	$0	$10,000	$0	$0				$195,331
(27) **Rentals of facilities**	$92,338		$798	$87,878	$0			$3,662	$0
(28) **Net school generated funds**	$1,748,585		$1,748,585					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,080,511		$0	$1,080,511	$0				$0
(31) **TOTAL REVENUES**	$46,756,184	$1,624,528	$34,665,837	$7,014,197	$972,816			$1,505,006	$973,800
EXPENSES									
(32) **Certificated salaries**	$24,284,301	$806,767	$23,127,626				$332,541	$332,541	$17,367
(33) **Certificated benefits**	$3,198,301	$128,645	$3,023,908				$43,939	$43,939	$1,809
(34) **Uncertificated salaries and wages**	$6,833,558	$296,574	$3,074,630	$2,286,547	$36,504	$76,843	$494,466	$571,309	$567,994
(35) **Uncertificated benefits**	$1,626,630	$81,204	$896,273	$474,979	$6,773	$2,367	$81,398	$83,765	$83,636
(36) **SUB - TOTAL**	$35,942,790	$1,313,190	$30,122,437	$2,761,526	$43,277	$79,210	$952,344	$1,031,554	$670,806
(37) **Services, contracts & supplies**	$7,158,698	$311,338	$2,780,616	$2,414,347	$929,539	$72,334	$396,287	$468,621	$254,237
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$1,748,585		$1,748,585						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,080,511	$0	$0	$1,080,511	$0		$0	$0	$0
(41) Unsupported	$254,449	$0	$148,660	$67,413	$0	$0	$11,916	$11,916	$26,460
(42) Total Amortization	$1,334,960	$0	$148,660	$1,147,924	$0	$0	$11,916	$11,916	$26,460
Interest on capital debt									
(43) Supported	$677,546	$0	$0	$677,546	$0		$0	$0	$0
(44) Unsupported	$62,883	$0	$62,883	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,761	$0	$0	$0	$0		$2,761	$2,761	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$46,928,223	$1,624,528	$34,863,181	$7,001,343	$972,816	$151,544	$1,363,308	$1,514,852	$951,503
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	($172,039)	$0	($197,344)	$12,854	$0			($9,846)	$22,297
Applicable student numbers/FTE equivalent	6,112.0	426	6,112.0	6,108.0	2,318			6,112.0	
AVERAGE PROGRAM COSTS per student	$7,678	$3,813	$5,704	$1,146	$420			$248	

School Jurisdiction Code: 3050

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$17,698,202	$2,989,783	$0	$1,221,388	$598,072	$620,181	$0	$23,127,626
Certificated benefits	$2,385,569	$323,923	$0	$158,760	$33,447	$122,209	$0	$3,023,908
Uncertificated salaries and wages	$636,044	$1,275,905	$0	$238,924	$852,429	$71,328	$0	$3,074,630
Uncertificated benefits	$236,701	$352,663	$0	$59,352	$230,213	$17,344	$0	$896,273
SUB - TOTAL REMUNERATION	$20,956,516	$4,942,274	$0	$1,678,424	$1,714,161	$831,062	$0	$30,122,437
Services, contracts & supplies	$1,770,616	$500,120	$0	$53,337	$77,232	$52,695	$326,616	$2,780,616
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$1,748,585							$1,748,585
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$122,179	$26,481	$0					$148,660
Total Amortization	$122,179	$26,481	$0					$148,660
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$56,094	$6,789						$62,883
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$24,653,990	$5,475,664	$0	$1,731,761	$1,791,393	$883,757	$326,616	$34,863,181
FTE Certificated				18.2	8.9			
FTE Uncertificated				14.9	53.3			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$25,640,347	$2,824,136	$2,232,936	$844,221	$31,541,640	$25,050,951	$6,490,689
School Admin & Instruction Support Expenses						$5,475,664	($5,475,664)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$25,640,347	$2,824,136	$2,232,936	$844,221	$31,541,640	$30,526,615	$1,015,025
Sub-Programs & Initiatives							
Severely Disabled	$1,481,037		$0		$1,481,037	$1,791,393	($310,356)
English as a Second Language	$23,010				$23,010	$38,923	($15,913)
Enhanced Opportunities	$20,000				$20,000	$20,000	$0
First Nations, Metis, and Inuit Education	$108,140		$0		$108,140	$109,824	($1,684)
Institutional Programs	$268,000				$268,000	$282,237	($14,237)
Sparsity & Distance	$0				$0		$0
Growth & Density	$26,798				$26,798		$26,798
Teacher Assistants Program	$115,010				$115,010	$118,834	($3,824)
Early Literacy Initiative (K-2)	$230,945				$230,945	$302,405	($71,460)
Learning Resources Credit & Resources for the Classroom	$38,165	$131,798	$384,139		$554,102	$696,084	($141,982)
Technology Integration	$252,410		$0		$252,410	$251,486	$924
French Language Program & Francisation (all jurisdictions)	$40,163		$0		$40,163	$720,798	($680,635)
Home Education	$4,582		$0		$4,582	$4,582	$0
Total Sub-Programs & Initiatives	$2,608,260		$384,139		$3,124,197	$4,336,566	($1,212,369)
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$28,248,607	$2,955,934	$2,617,075	$844,221	$34,665,837	$34,863,181	($197,344)

School Jurisdiction Code: 3050

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$2,099,551	$28,248,607		$1,258,930	$1,462,706	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$30,348,158* = *$606,963* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$289,220		($289,220)		
From Board and System Administration block to:						
(1) Transportation				$0	$0	
(2) Instruction		$0			$0	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$0	$0				
(2) ECS to: Instruction	($555,001)	$555,001				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	($555,001)	$844,221		($289,220)	$0	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 3050

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$30,095,748
Support Block - Transportation	$1,258,930
SUBTOTAL	$31,354,678
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,374,710
Teacher Salary Enhancement	$1,454,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$127,098
Federal government/First Nations	$25,532
Other Alberta school authorities	$67,560
Out of province local authorities	$141,488
Alberta municipalities	$11,220
Other sales and services	$827,721
Interest on investments	$163,247
Rentals of facilities	$92,338
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,080,511
School generated funds (Schedule E)	$2,089,246
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$41,809,349**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and ov = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,672,374
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	0	$0
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,672,374**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,514,852
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$9,846
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,505,006
Maximum Expense Limit for Board & System Administration (Step 3)	$1,672,374
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$167,368

School Jurisdiction Code: 3050

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$769,736
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,089,246	
Less: SGF - related cost recoveries (Note 3)	$262,912	
- capitalized at the District level (Note 4)	$0	
Net Total	$1,826,334	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$1,826,334
Net SGF Available for discretionary spending		$2,596,070
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,748,585
Unexpended SGF - Closing Balance August 31, 2003		$847,485

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3050

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,523,138	$690,784	$0	$0	$72,625	$2,286,547		$2,286,547
Uncertificated benefits	$379,986	$81,152	$0	$0	$13,841	$474,979		$474,979
Sub-total Remuneration	$1,903,124	$771,936	$0	$0	$86,466	$2,761,526		$2,761,526
Contracted Services	$3,456	$251,062	$42,007	$735,795	$0	$1,032,320		$1,032,320
Supplies	$117,311	$293,398	$0	$0	$0	$410,709		$410,709
Electricity			$572,522			$572,522		$572,522
Natural Gas/Heating Fuel			$203,543			$203,543		$203,543
Sewer and Water			$141,387			$141,387		$141,387
Telecommunications			$9,559			$9,559		$9,559
Insurance					$44,307	$44,307		$44,307
Amortization of capital assets								
Supported							$1,080,511	$1,080,511
Unsupported						$67,413		$67,413
Total Amortization						$67,413	$1,080,511	$1,147,924
Interest on capital debt								
Supported							$677,546	$677,546
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$2,023,891	$1,316,396	$969,018	$735,795	$130,773	$5,243,286	$1,758,057	$7,001,343
SQUARE METRES								
School Buildings								92,834.0
Non School Buildings								2,948.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3050

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Deborah Forbes	1.0	$15,448	$583	$0	$0	$0	$16,031	$3,844
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:									
Name	Gitta Hashizume	1.0	$16,401	$629	$0	$0	$0	$17,030	$6,742
Name	Karen Charlton	1.0	$14,094	$516	$0	$0	$0	$14,610	$5,224
Name	Greg Bender	1.0	$15,069	$564	$0	$0	$0	$15,633	$6,766
Name	Roy Wilson	1.0	$15,830	$75	$0	$0	$0	$15,905	$7,894
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Name		0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal		*5.0*	*$76,842*	*$2,367*	*$0*	*$0*	*$0*	*$79,209*	*$30,470*
Superintendent		1.0	$130,635	$10,015	$0	$0	$0	$140,650	$12,497
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		1.0	$115,425	$17,560	$0	$0	$0	$132,985	$13,729
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		353.3	$24,033,712	$3,157,396	$0	$0	$0	$27,191,107	
Uncertificated Salaries & Wages		222.1	$6,822,647	$1,637,633	$0	$0	$0	$8,460,280	
TOTALS			$31,179,261	$4,824,970	$0	$0	$0	$36,004,231	

Note: Please refer to completion information on page 15.

SCHEDULE G1 to the AFS

DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*

COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.

School Jurisdiction Code: 27

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2003
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Moberly Hall School Society
Name of School Jurisdiction

194B Grenfell Crescent, Fort McMurray, AB T9H 2M6
Mailing Address

(780)743-8409 (780)743-9407
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Moberly Hall School Society (Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name: Rick Fiedosiewich
Signature: "Original Signed By"

SUPERINTENDENT

Name: Lynn Corcoran
Signature: "Original Signed By"

SECRETARY TREASURER OR TREASURER

Name: Jenny O'Connor
Signature: "Original Signed By"

17-Dec-03
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

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Briscoe & Briscoe
Professional Corporation

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CERTIFIED GENERAL ACCOUNTANTS

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AUDITORS' REPORT

To the Board of Directors:
Moberly Hall School Society

We have audited the statement of financial position of Moberly Hall School Society as at August 31, 2003 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance Canadian with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present in all material respects, the financial position of Moberly Hall School Society as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Briscoe + Briscoe
Certified General Accountants

St Paul, Alberta
December 5, 2003

School Jurisdiction Code: 27

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2003	2002
ASSETS			
Current assets			
Cash and temporary investments		$257,172	$192,194
Accounts receivable (net after allowances)		$24,395	$0
Prepaid expenses		$0	$0
Other current assets		$0	$23,831
Total current assets		$281,567	$216,025
School generated assets		$0	$0
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$16,544		
Less: accumulated amortization	($14,537)	$2,007	$2,867
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$2,007	$2,867
TOTAL ASSETS		$283,574	$218,892
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$39,350	$5,061
Deferred revenue		$27,660	$31,671
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$67,010	$36,732
School generated liabilities		$0	$0
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$0	$0
TOTAL LIABILITIES		$67,010	$36,732
NET ASSETS			
Unrestricted net assets		$214,557	$179,293
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$214,557	$179,293
Investment in capital assets		$2,007	$2,867
Capital Reserves		$0	$0
Total Capital Funds		$2,007	$2,867
Total net assets		$216,564	$182,160
TOTAL LIABILITIES AND NET ASSETS		$283,574	$218,892

Note: Input "(Restated)" in 2002 column heading where comparatives are not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 27

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2003	Budget 2003	Actual 2002
REVENUES			
Alberta Learning	$527,620	$577,288	$503,661
Alberta Infrastructure	$83,366	$117,163	$59,815
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities (excluding supplementary requisitions)	$0	$0	$0
Instruction resource fees	$4,670	$4,650	$3,285
Transportation fees	$13,347	$21,500	$14,622
Other sales and services	$988	$0	$1,543
Investment income	$1,073	$1,200	$2,684
Gifts and donations	$0	$0	$0
Rentals of facilities	$6,428	$8,000	$2,105
Net school generated funds	$0	$0	$0
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$637,492	$729,801	$587,715
EXPENSES			
Certificated salaries	$365,801	$365,000	$307,252
Certificated benefits	$26,268	$45,000	$21,986
Uncertificated salaries and wages	$51,865	$66,000	$53,002
Uncertificated benefits	$3,548	$9,000	$3,313
Services, contracts and supplies	$154,425	$241,700	$194,862
Net school generated funds	$0	$0	$0
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$860	$1,500	$857
Total Amortization of capital assets	$860	$1,500	$857
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$321	$0	$88
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$603,088	$728,200	$581,360
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE FUNDING ALLOCATED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$34,404	$1,601	$6,355
Block BORP revenue used for capital purposes	$0	$0	$0
Block MOD revenue used for capital purposes	$0	$0	$0
1999 One-time grant revenue used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$34,404	$1,601	$6,355

Note: Input "(Restated)" in Budget 2003 and/or Actuals 2002 column headings where comparatives are not taken from the respective finalized 2002-2003 Budget Report and/or finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 27

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2003	2002
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$34,404	$6,355
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$860	$857
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($24,395)	$1,524
Prepaids and other current assets	$23,831	$0
Payables and accrued liabilities	$34,289	($6,927)
Deferred revenue	($4,011)	($23,323)
Employee future benefit expense (recovery)	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$64,978	($21,514)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$0
Net sources (uses) of cash equivalents* during year	$64,978	($21,514)
Cash Equivalents at the beginning of the year	$192,194	$213,708
Cash Equivalents at the end of the year	$257,172	$192,194

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2002 column heading where not taken from the finalized 2001-2002 Audited Financial Statements.

School Jurisdiction Code: 27

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2003
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 15)	RESTRICTED NET ASSETS										
					School Based		Alberta Infrastructure			Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O& M Operating Reserves	Supported School Capital Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2002	$182,160	$2,867	$179,293	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)															
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2002	$182,160	$2,867	$179,293	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	$34,404		$34,404												
Block BQRP funded capital transactions		$0	$0												
Block MOD funded capital transactions		$0	$0												
Board funded capital transactions		$0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0													
Amortization of capital assets		($860)	$860												
Amortization of capital allocations		$0	$0												
Disposal of unsupported capital assets	$0	$0	$0	$0		$0			$0		$0		$0		$0
Disposal of supported capital assets	$0	$0	$0			$0			$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0												
Net transfers to operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0			$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0			$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0			$0		$0		$0		$0
Balance at August 31, 2003	$216,564	$2,007	$214,557	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 27

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2003

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2002		$0	$0
Prior period adjustment		$0	
Adjusted balance, August 31, 2002		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable, at Net Book Value)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2003		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

MOBERLY HALL SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

1. AUTHORITY AND PURPOSE

Moberly Hall School Society delivers education programs under the authority of the *School Act*, Chapter S-3.1, Statutes of Alberta, 1988.

The School Society receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the school society, within specified limits, to reallocate funding between the instruction and support blocks.

Moberly Hall School Society is incorporated under the Alberta Society's Act as a non-profit organization.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximation, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Capital Assets

Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a declining balance basis, at the following rates:

Computers	30%
Furniture & Equipment	20%

Only capital assets with costs in excess of $5,000 are capitalized.

c) School Generated Funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school authority because the accountability and control/ownership of these funds rests with the school authority officials or their appointee(s).

MOBERLY HALL SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2003

2. SIGNIFICANT ACCOUNTING POLICIES, continued

d) Vacation Pay
Vacation pay is recorded when earned.

e) Contributed Services
Volunteers contribute a considerable number of hours per year to various school projects and activities. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

f) Financial Instruments
The school society's financial instruments consist of cash, temporary investments, accounts receivable & accounts payable. It is management's opinion that the school society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Book Value 2003	Book Value 2002
Computers	$ 4,670	$ (4,120)	$ 550	$ 785
Furniture & Equipment	11,874	(10,417)	1,457	2,082
	$ 16,544	$ (14,537)	$ 2,007	$ 2,867

4. DEFERRED REVENUE

	2003	2002
One Time Grant for Kindergarten	22,825	22,825
Energy Rebate	4,835	8,846
	$ 27,660	$ 31,671

The one-time capital grant for ECS, received in 1999, was spent subsequent to August 31, 2003. The Energy Rebate, received in 2001, is being applied to utility costs.

5. COMMITMENTS

Moberly Hall School Society has a rent commitment for lease of the school facility of $36,000 per year.

6. UNRECORDED LIABILITY

The School has an unrecorded liability for penalties and interest payable to CCRA for unpaid payroll remittances. The amount of penalties and interest paid in November 2003, for May to November deductions was $5,085.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2002-2003

School Jurisdiction Code: 27

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration Board Governance	System Administration	Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$451,470	$12,017	$439,453						
(2) Support block	$50,000				$0			$50,000	
(3) Instruction & support block reallocations	$0	$2,046	$4,455		$23,812			($30,313)	$0
(4) Alberta Initiative for School Improvement (AISI)	$9,150	$0	$9,150						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$17,000	$0	$17,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$0	$0	$0	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$527,620	$14,063	$470,058	$0	$23,812			$19,687	$0
Alberta Infrastructure									
(12) Expensed Block Mod, Block BQRP support	$0	$0	$0	$0					
(13) Operations & Maintenance support	$83,366			$83,366					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$83,366	$0	$0	$83,366					
(16) **Alberta Finance**	$0			$0	$0			$0	$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities (excl. supplementary requisitions)**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$4,670	$0	$4,670						
(23) **Transportation fees**	$13,347				$13,347				
(24) **Other sales and services**	$988	$0	$988	$0	$0			$0	$0
(25) **Investment income**	$1,073	$0	$1,073	$0	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$6,428		$6,428	$0	$0			$0	$0
(28) **Net school generated funds**	$0		$0					$0	
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$637,492	$14,063	$483,217	$83,366	$37,159			$19,687	$0
EXPENSES									
(32) **Certificated salaries**	$365,801	$13,084	$352,717				$0	$0	$0
(33) **Certificated benefits**	$26,268	$979	$25,289				$0	$0	$0
(34) **Uncertificated salaries and wages**	$51,865	$0	$51,865	$0	$0	$0	$0	$0	$0
(35) **Uncertificated benefits**	$3,548	$0	$3,548	$0	$0	$0	$0	$0	$0
(36) **SUB - TOTAL**	$447,482	$14,063	$433,419	$0	$0	$0	$0	$0	$0
(37) **Services, contracts & supplies**	$154,425	$0	$49,798	$56,535	$37,159	$0	$10,933	$10,933	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$0		$0						
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$860	$0	$0	$860	$0	$0	$0	$0	$0
(42) Total Amortization	$860	$0	$0	$860	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$321	$0	$0	$321	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$603,088	$14,063	$483,217	$57,716	$37,159	$0	$10,933	$10,933	$0
(48) Surplus(deficit) Before Funding Allocated for Capital Purposes	$34,404	$0	($0)	$25,650	$0			$8,754	$0
Applicable student numbers/FTE equivalent	91.0	5	85.0	91.0	45			0.3	
AVERAGE PROGRAM COSTS per student	$6,627	$2,813	$5,685	$634	$826			$43,732	

School Jurisdiction Code: 27

SCHEDULE B1 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$349,312	$0	$0	$0	$0	$3,405	$0	$352,717
Certificated benefits	$25,289	$0	$0	$0	$0	$0	$0	$25,289
Uncertificated salaries and wages	$4,147	$35,167	$0	$0	$12,551	$0	$0	$51,865
Uncertificated benefits	$172	$2,539	$0	$0	$837	$0	$0	$3,548
SUB - TOTAL REMUNERATION	$378,920	$37,706	$0	$0	$13,388	$3,405	$0	$433,419
Services, contracts & supplies	$43,497	$0	$0	$0	$268	$6,033	$0	$49,798
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$422,417	$37,706	$0	$0	$13,656	$9,438	$0	$483,217
FTE Certificated				0.0	1.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE B2 to the AFS
INSTRUCTION Grades 1 to 12 Program 2002-2003 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$372,054	$25,215	$8,489	$4,455	$410,213	$415,283	($5,070)
School Admin & Instruction Support Expenses						$37,706	($37,706)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$372,054	$25,215	$8,489	$4,455	$410,213	$452,989	($42,776)
Sub-Programs & Initiatives							
Severely Disabled	$13,120		$0		$13,120	$13,656	($536)
English as a Second Language	$0				$0	$0	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$43,312				$43,312		$43,312
Growth & Density	$0				$0		$0
Teacher Assistants Program	$2,617				$2,617	$2,617	$0
Early Literacy Initiative (K-2)	$4,400				$4,400	$4,400	$0
Learning Resources Credit & Resources for the Classroom	$0	$935	$4,670		$5,605	$5,605	$0
Technology Integration	$3,655		$0		$3,655	$3,655	$0
French Language Program & Francisation (all jurisdictions)	$295		$0		$295	$295	($0)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$67,399		$4,670		$73,004	$30,228	$42,776
INSTRUCTION, GRADES 1-12 (plus Early Lit. ECS)	$439,453	$26,150	$13,159	$4,455	$483,217	$483,217	($0)

School Jurisdiction Code: 27

SCHEDULE C to the AFS
SUMMARY OF REVENUE TRANSFERS
BETWEEN ALBERTA LEARNING BLOCK ALLOCATIONS - 2002-2003

	Early Childhood Services	Instruction (Grades 1 to 12)	Operations and Maintenance	Transportation	Board and System Administration	External Services
Alberta Learning block allocations - Schedule A (Lines 1 & 2)	$12,017	$439,453		$0	$50,000	
Reallocations permitted by the "Funding for School Authorities" manual						
From Instruction block to External Services		$0				$0
From ECS component of Instruction block to Transportation (part of the 2% maximum) (Note)	$0			$0		
From all or part of maximum 2% of Instruction block to Transportation		$0		$0		
Calculation: 2% of *$451,470* = *$9,029* *$0*						
From Instruction block (Growth & Denisty component) to Transportation		$0		$0		
Reallocations directed by the board of trustees						
From Transportation block to Instruction		$0		$0		
From Board and System Administration block to:						
(1) Transportation				$23,812	($23,812)	
(2) Instruction		$6,501			($6,501)	
From within the Instruction block and its components:						
(1) Instruction to: Early childhood services (ECS)	$2,046	($2,046)				
(2) ECS to: Instruction	$0	$0				
AMOUNTS REFLECTED ON SCHEDULE A (Line 3)	$2,046	$4,455		$23,812	($30,313)	$0

Note: Incremental ECS costs for transportation should normally be recorded as a cost recovery on Schedule A rather than as a revenue transfer on this schedule.

School Jurisdiction Code: 27

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2002-2003

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$447,815
Support Block - Transportation	$0
SUBTOTAL	$447,815

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$83,366
Teacher Salary Enhancement	$17,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$988
Interest on investments	$1,073
Rentals of facilities	$6,428
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$0
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMITS	**$556,670**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and o\ = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and le = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 -12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$33,400
Considerations for Charter Schools and Francophone Boards:		
If Charter School, enter 50,000	50,000	$50,000
If Francophone Board, enter 330,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$50,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$10,933
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$10,933
Maximum Expense Limit for Board & System Administration (Step 3)	$50,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$39,067

School Jurisdiction Code: 27

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2002-2003

Unexpended SGF - Opening Balance August 31, 2002 (Note 1		$0
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$0	
Less: SGF - related cost recoveries (Note 3)	$0	
- capitalized at the District level (Note 4)	$0	
Net Total	$0	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$0
Net SGF Available for discretionary spending		$0
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$0
Unexpended SGF - Closing Balance August 31, 2003		$0

Note 1 Input "(Restated)" beside Balance at August 31, 2002 where not taken from the finalized 2001-2002 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(i) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). This is the amount used to calculate the administrative cap. See Schedule E.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; cost of goods sold for school cafeteria/servery; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF. They are recorded as instruction resource fees.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 27

SCHEDULE F to the AFS
Operations and Maintenance Program 2002-2003 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed Mod/BQRP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$4,330	$35,793	$0	$0	$0	$40,123		$40,123
Supplies	$7,847	$0	$0	$0	$0	$7,847		$7,847
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$4,547			$4,547		$4,547
Insurance					$4,018	$4,018		$4,018
Amortization of capital assets								
Supported							$0	$0
Unsupported						$860		$860
Total Amortization						$860	$0	$860
Interest on capital debt								
Supported							$0	$0
Unsupported						$0		$0
Other interest charges						$321		$321
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$12,177	$35,793	$4,547	$0	$4,018	$57,716	$0	$57,716
SQUARE METRES								
School Buildings								2,360.2
Non School Buildings								0.0

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenes related to electrictiy, natural gas and other heating fuels, sewer and water and all forms of telecommunications.
Expensed Block Mod/BQRP & Portable Relocations:	All expenses associated with non-capital activites related to Bock Modernization, Building Quality Restoration Program and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, BQRP, block modernization and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety statndards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

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SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2002-2003
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Rick Fiedosietch	1.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Other Board Members:								
Name Stacey Brennan	1.0	$0	$0	$0	$0	$0	$0	$0
Name Lori Cooper	1.0	$0	$0	$0	$0	$0	$0	$0
Name Rena Doyle	1.0	$0	$0	$0	$0	$0	$0	$0
Name Ida Fradette	1.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Name	0.0	$0	$0	$0	$0	$0	$0	$0
Subtotal	*5.0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
Superintendent Lynn Corcoran	0.2	$6,600	$0	$0	$0	$0	$6,600	$745
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Jenny O'Connor	1.0	$35,167	$2,539	$0	$0	$0	$37,706	$0
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	8.0	$352,717	$25,289	$0	$0	$0	$378,006	
Uncertificated Salaries & Wages	1.0	$16,696	$1,009	$0	$0	$0	$17,707	
TOTALS		**$411,182**	**$28,837**	**$0**	**$0**	**$0**	**$440,019**	

Note: Please refer to completion information on page 15.

School Jurisdiction Code: 27

SCHEDULE G1 to the AFS
DISCLOSURE OF SALARIES AND BENEFITS *(SECTION 148.1 OF THE SCHOOL ACT)*
COMPLETION INFORMATION

(1) Salary and benefits consist of and agree with the amounts properly recorded in the school jurisdiction's payroll records and related object codes for salaries, wages and benefits.

(2) **Remuneration** includes regular base salaries, certificated school-based employee allowances outlined in collective agreements, overtime, honoraria, deferred salary leave accruals, lump sum payments **EXCEPTING TERMINATION BENEFITS** (See #10A below), any other direct cash remuneration **EXCEPTING PERFORMANCE PAY** (See #10 below).

(3) Certificated salaries include the aggregate of all payments for certificated staff regardless of the length, nature or definition of the employment agreement. The number of full time equivalent (FTE) staff should be measured as at September 30.

(4) Uncertificated salaries and wages should be measured in terms of the number of FTE staff employed as at September 30.

(5) Salary and benefits information should be the aggregate amount covering the same fiscal period as the audited financial statements.

(6) Salary must include deferred salary accruals.

(7) Salary includes only payments for services subject to an employer-employee relationship.

(8) **Benefits** include the employer's share of all employee benefits and contributions or payments made on behalf of employees including retirement pensions, Canada pension plan (CPP), employment insurance (EI), health care, dental coverage, vision coverage, out of country medical benefits, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans.

(9) **Allowances** include all monies paid to an employee as miscellaneous **negotiated** allowances. This category will include car or travel allowances, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services, and club memberships. **CERTIFICATED SCHOOL-BASED EMPLOYEE ALLOWANCES**, as outlined in collective agreements, are included in **Remuneration** - NOT Allowances.

(10) **Performance Bonuses** include those monies paid to employees of the school authority that are tied to the achievement of some specifed goal or objective.

(10A) **Other** includes termination benefits ((severance pay, retiring allowances (ERIP's), sick leave and other settlement costs due to loss of employment).

(11) **Expenses** will include the reimbursements of travel, subsistence, moving costs, conference fees, etc., paid by the employee **or on his/her behalf** in performing the responsibilities of employment.

(12) The superintendent's position disclosure is in terms of one individual who is the Chief Executive Officer. Benefits for the superintendent do not include Alberta Learning contributions to the Teachers Retirement Fund pension plan.

(13) The secretary-treasurer's position disclosure is in terms of one individual who is the Chief Financial Officer. If the board has not appointed one person to act as secretary-treasurer, then the disclosure is in terms of separate individuals appointed to the Board Treasurer and Board Secretary positions. Benefits for the secretary-treasurer include the Local Authorities Pension Plan contributions.

(13) A position should include salary, benefits and allowances earned and expenses accrued by an individual who officially acted in a position while it was vacant or was appointed to the position. If a position was vacant and no one acted in the position, the position should not be disclosed.

(14) Benefits and allowances need not include an amount for automobile, housing or other benefits for which a value cannot be reasonably estimated.

(15) If a position is occupied by more than one individual during a year, each of those individual's specific expenses and salary, benefits and allowances earned by each of the individuals in the position need be disclosed separately.